HOUSE SELECT COMMITTEE ON ASSASSINATIONS STAFF MEMBERS

FILE TITLE/NUMBER/VOLUME: KDFACTOR Photographic Surveillance Operation
Folder 11, 50-6-74/3 Operations

INCLUSIVE DATES: 1958 THRU 1973 (TERMINATED)

CUSTODIAL UNIT/LOCATION: Archives (Job no. 78-970)

ROOM:

DELETIONS, IF ANY:

DATE RECEIVED	DATE RETURNED	REVIEWED BY (PRINT NAME)	SIGNATURE OF REVIEWING OFFICIAL
[illegible]	[illegible]	Dan Hardway	Dan Hardway
28 June		DAN HARDWAY	Dan Hardway
21 JUNE		DAN HARDWAY	Dan Hardway
25 JUL 1978		HARDWAY	Hardway
10/31	11/3	Hardway	Hardway
15 NOV. 78		DAN HARDWAY	Hardway
12/20/78		HARDWAY	Hardway
12-21-78		JENZMAN	Jenzman
[illegible]		Berk	Berk

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FOUR

KDFACTOR
OPERATIONS
/3

14-00000

File No 50-6-74/3

Other Agency Documents
(2 Enclosed)

14-00000

SECRET
(WHEN FILLED IN)

SUBJECT AND PROJECT FILE REQUEST AND FIELD NOTIFICATION OF ACTION

. (Headquarters component) WH/1

TO : IP/AN

TO : (Station/Base) Mexico City

FROM: (Division) WHD

INFORMATION FOR REQUESTERS

COMPLETE ITEMS 1 THROUGH 12.

ITEM 3 - ALL FILE TITLES MUST BE STERILE SINCE THEY WILL APPEAR ON THE FIELD COPIES AND ON MACHINE LISTS.

ITEM 6 - ALL REMARKS MUST BE STERILE.

ITEM 7 AND 8 - USE FIRST THREE LETTERS OF DISPATCH SYMBOLS FOR FIELD STATIONS AND LIST HEADQUARTERS ELEMENTS ACCORDING TO ESTABLISHED NUMERIC CODES.

ITEM 10 - ENTER OLD TITLE WHEN AMENDING A TITLE. CITE ANY FILES, SUCH AS 201 OR PROJECT FILES THAT ARE RELATED TO THE FILE COVERED BY THIS REQUEST. ITEM 10 MAY ALSO BE USED TO IDENTIFY THE TYPE OF MATERIAL TO BE PLACED IN A FILE OR TO MAKE OTHER EXPLANATORY REMARKS.

ITEM 11 - A RECORDS OFFICER MUST SIGN ALL FILE ACTION REQUESTS. CONSULT YOUR RMO ON ANY PROBLEMS THAT ARISE.

INFORMATION CONCERNING FILE

1. TYPE OF FILE: [ ] SUBJECT [X] PROJECT

2. CODE (FILE) NUMBER

COUNTRY NUMBER	CATEGORY NUMBER	SPECIFIC SUBJECT NUMBER
050	006	074/3

3. FILE TITLE (SPECIFIC SUBJECT) (PROJECTS LIMITED TO 15 SPACES)

KDFACTOR

ACTION REQUIRED

4. ANALYSIS ACTION

	OPEN FILE	X	CLOSE FILE (INDICATE DISPOSITION)
	AMEND FILE TITLE		REOPEN

5. DISPOSITION

X	RETAIN		DESTRUCTION RECOMMENDED THRU (DATE)

6. REMARKS (FOR FIELD DISTRIBUTION)

7. INTERESTED STATIONS (PROJECTS ONLY): HMM

8. INTERESTED HEADQUARTERS DESK (LIST ACTION DESK FIRST): 050

9. FILES ACTION

X	HOLD IN CS FILES		RESTRICTED	X	UNRESTRICTED		PREPARE FOLDER AND SEND TO REQUESTER		CHARGE PERMANENTLY TO (OFFICER & DESK)

10. COMMENTS (INCLUDE SPECIAL HEADQUARTERS ROUTING INSTRUCTIONS)

11. ENDORSEMENT — SIGNATURE OF BRANCH/DESK R. O.: [signature] #630

12. COORDINATION — SIGNATURE OF BRANCH/DESK R. O. (WHEN APPLICABLE)

13. RID APPROVAL — REQUEST APPROVED BY: [signature]

EFFECTIVE DATE: 23 July 1973

CODE (FILE) NUMBER

50	06	74/3

FORM 812 OBSOLETE PREVIOUS EDITIONS

SECRET

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SECRET

AGENCY MESSAGE

ACTION UNIT WH8

ACTION # 923

INFO: FILE, VR, C/CAN, DDO, SBS, F/, ADDO, CI, CI/OPS, CI/TC

T 180863 PAGE 01-01 IN 895416

TOR:192050Z APR 73 MEXI 23439

S E C R E T 191915Z APR 73 STAFF

CITE MEXICO CITY 23439

TO: DIRECTOR INFO DIRTECH, PANTECH.

REDLEG KDALCOVE TECHS

REF: MEXICO CITY 22902 (IN 550655) 50-6-74/3

1. KDALCOVE PHOTO EXPERIMENTS NOW CONCLUDED. TEST PHOTOS AND INSTALLATION DETAILS ARE BEING FORWARDED BY DISPATCH ALONG WITH REQUEST FOR APPROVAL TO INSTALL CLOSED CIRCUIT TV TO MINIMIZE OPERATOR FATIGUE AND MAXIMIZE OP EFFICIENCY. ALTHOUGH STILL TROUBLED AT TIMES BY TRAFFIC AIR POLLUTION, OVERALL PRODUCT IS GOOD QUALITY AND FULFILLS OUR REQUIREMENTS.

2. PER DISCUSSIONS WITH TDY MKSPICE TECHS, TV SYSTEM ENSTALLATION APPEARS FEASIBLE. ALSO GOOD POSSIBILITY THEY MAY HAVE NEEDED EQUIPEMENT WHICH COULD BE MADE AVAILABLE ON EXTENDED LOAN BASIS. IF APPROVED, MKSPICE PHOTO TECH WOULD BE REQUESTED ASSIST IN INSTALLATION.

3. FILE: 50-6-74/2. E2, IMPDET.

factor

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RECORD COPY

50-6-74/3
19APR73

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DISSEM BY 99 PER

ACTION UNIT: C/WH8 — INFO: FILE, VR, C/PSN, DDO, ADDO, C/CI, C/CI/TC, C/FI-2, C/SB5

ACTION NO. 792

S E C R E T 060033Z MAR 73 STAFF

CITE MEXICO CITY 22902 (ROSTEDT ACTING) (MEXI)

TO: DIRECTOR INFO DIRTECH, PANTECH.

RYBAT REDLEG KDALCOVE TECHS

REF: MEXICO CITY 22495 (IN 820452)

850655

1. ~~KDALCOVE PHOTO BASEHOUSE OPERATIONAL~~ 1 MAR 1973. KDALCOVE-1 AND -2 GIVEN ON SITE TRAINING AND BRIEFING 28 FEB BY OLIVER J. MANKUNAS AND STATION TECH CHARLES F. HIPPEN. KDALCOVE-1 TOOK FIRST OPERATIONAL FILMS FOLLOWING DAY AND PRODUCT WAS RETRIEVED USING KDALCOVE-2 AS CUTOUT. ALTHO EARLY MORNING PHOTOS WERE EXCELLENT QUALITY, HEAVY BUILDUP OF TRAFFIC AIR POLLUTION BY MID-MOARNING SERIOUSLY AFFECTED PHOTO DEFINITION. BEFORE DAYBREAK 5 MAR, MANKUNAS AND HIPPEN AGAIN RETURNED TO PHOTO SITE TO TEST VARIOUS FILTERS AND SPEED SETTINGS IN EFFORT TO ALLEVIATE PROBLEM. TEST PHOTOS TAKEN WITH DARK ORANGE HAZE FILTER SHOWED IMPROVEMENT AND PRODUCED USABLE PRODUCT. WE INTEND TO CONTINUE EXPERIMENTING TO OBTAIN OPTIMUM RESULTS. TEST PHOTOS AND INSTALLATION DETAILS WILL BE FORWARDED BY POUCH.

2. FILE: 50-6-74/3. E2, IMPDET.

S E C R E T

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~~DCS-NPD~~
~~FI~~
WH/1

6 MAR 1973

CS COPY

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50-6-74/3

SECRET

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ORIG: R. SWIDER:lf
UNIT: WH/1
EXT: 9354
DATE: 5 February 1973

MESSAGE FORM
TOTAL COPIES

SECRET

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CABLE SECRETARIAT DISSEMINATION

BY 13 PER #

INDEX / NO INDEX / RETURN TO / FILE RID

FILE IN CS FILE NO.

DOC. MICRO. SER. BRANCH
FEB 15 1973
MICROFILMED

CONF: C/WH 8 INFO FILE, VR.

(classification) (date and time filed) (elite) (reference number) (pica)

SECRET

CITE DIRECTOR 367346

TO MEXICO CITY 07 Feb 73 17 12z

RYBAT TYLOTE REDLEG KDALCOVE

REFS: A. MEXICO CITY 22495 (IN 820452)

B. DIRECTOR 362309

1. APPRECIATE REF (A) DETAILS. CONCUR IN YOUR PLAN.

2. FILE: 50-6-74/3; 50-6-58/3. E2, IMPDET. WN-SISM.

END OF MESSAGE.

WH COMMENTS: Ref A requested Mexico City provide details desirability one safesite over another. Ref B complied with Ref A request.

DIV/D CIB Anita Potocki - in draft

Factor

THEODORE G. SHACKLEY
C/WHD

50-6-58/3

RAYMOND J. SWIDER
AC/WH/1

50-6-74/3

7 FEB 1973

COORDINATING OFFICERS

CS COPY

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E2 IMPDET CL BY: AFDIR WH - SISM

AUTHENTICATING OFFICER

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ACTION UNIT: C/DIVA 4 FILE, VR C/IPLAN DDP ADDP CS/DO C/SB 5 C/WH 8

ACTION NO. 578 C/CI C/FI 2

S E C R E T 310036Z JAN 73 STAFF

CITE MEXICO CITY 22495 MEXI

820452

TO: DIRECTOR.

RYBAT TYLOTE REDLEG KDALCOVE

REF A. DIRECTOR 362309

B. MEXICO CITY 22429 (IN 815792)

1. IN RESPONSE REF A QUESTION, AVAILABILITY IS MAIN FEATURE, BUT EASE IN ADMINISTRATION AND SECURITY ARE ALSO FACTORS INFLUENCING OUR PROPOSAL TO COMBINE PHOTO OPERATION WITH KDVAULT TECHNICAL OPERATION. APARTMENT UNDER EARLIER CONSIDERATION WILL NOT BE AVAILABLE UNTIL PROBABLY SOMETIME IN MAY, AND WE DO NOT NOW HAVE ANY SUITABLE CANDIDATES TO TAKE POSSESSION WHEN IT BECOMES AVAILABLE. COMBINING BOTH OPERATIONS WILL REDUCE NUMBER ASSETS INVOLVED, COSTS, AGENT MEETINGS AND PROJECT ADMIN. SECURITY WILL BE ENHANCED BECAUSE TWO ACTIVE SITES IN SUCH CLOSE PROXIMITY CKPOLAR INSTALLATION WOULD DOUBLE COVER PROBLEMS AND DOUBLE NUMBER OF CLANDESTINE MEETINGS TO RETRIVE PRODUCT.

AN | AB | IN | PS | DRS: NFD | FI | WH/1

2. IN SUM, BOTH APARTMENTS IN QUESTION HAVE ESSENTIALLY SAME DESIRABILITY FEATURES FOR KDVAULT OPERATION. HOWEVER,

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31 JAN 1973

050-6-58/3

50-6-74/3

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ACTION UNIT | INFO | FILE, VR

ACTION NO.

PAGE 2 MEXICO CITY 22495 S E C R E T

BELIEVE ACQUIRING BOTH APARTMENTS FOR SUPPORT ACTIVITIES NOT JUSTIFIED BECAUSE OF MANPOWER DRAIN AT TIME WE NEED EMPHASIS ON RECRUITING MORE AND BETTER ACCESS AGENTS AGAINST PRIORITY TARGETS.

3. FILE: 50-6-74/3; 50-6-58/3. E2 IMPDET.

S E C R E T

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BY: D AT: 1635 Z

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ACTION UNIT C/WH8 | FILE, VR, C/IPAN, C/SB5, C/CI

ACTION NO. 668

PRECEDENCE

SECRET 151606Z JAN 73 STAFF

CITE MEXICO CITY 22308 (ROSTEDT ACTING) MEXI

807463

TO: IMMEDIATE DIRECTOR.

DOC. MICRO. SER.
APR 10 1973
MICROFILMED

RYBAT REDLEG KDFACTOR

REFS: A. DIRECTOR 358750

B. MEXICO CITY 22307 (IN 806421)

1. APPRECIATE YOUR RAPID RESPONSE PER REF A. SUBJ REFS HAS OTHER COMMITMENTS WHICH PRECLUDE HIS OCCUPANCY THIS APARTMENT. HE WILLING SIGN LEASE, BUT IN VIEW HIS POTENTIAL FOR OTHER OPS WE ARE RELUCTANT HAVE HIM DO THIS. THUS, WE HAVE INSTRUCTED KDADAGE-42, IN ALIAS, TO TRY AND TIE UP APARTMENT LONG ENOUGH TO ENABLE US FIND SUITABLE CANDIDATE TO LIVE IN APARTMENT AND PERFORM DESIRED OPERATIONAL TASKS. THIS MAY BE FEASIBLE SINCE PRESENT APARTMENT TENANTS DID NOT FOLLOW THRU ON ORIGINAL PLANS TO VACATE 14 JAN. WILL ADVISE DEVELOPMENTS. VIEW ABOVE, YOU DO NOT NEED TO AMEND POA AS REQUESTED REF B.

2. FILE: 50-6-74/3; 201-906628. E2, IMPDET.

SECRET

D 201-906628

CS COPY

SECRET

50-6-74/3
15 JAN 1973

14-00000

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BY: C AT: 0315 Z

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PRECEDENCE

ACTION UNIT C/WH8

FILE. VR/ C/IP/AN, C/CI, C/FI2, C/SB5, CSDO

ACTION NO. 565

S E C R E T 130139Z JAN 73 STAFF

CITE MEXICO CITY (MEXI 22307) (ROSTEDT ACTING)

806421

TO: PRIORITY DIRECTOR.

RYBAT REDLEG KDFACTOR

DOC. MICRO. SER. APR 10 1973 MICROFILMED

REFS: A. DIRECTOR 328305

B. MEXICO CITY 21273 (IN 727027)

C. MEXICO CITY 21713 (IN 761220)

1. REQUEST YOU AMEND POA ON SUBJECT REF A AND GRANT POA ON HIS WIFE TO PERMIT THIS COUPLE TO OCCUPY AND USE APARTMENT CITED BELOW FOR OBSERVATION AND PHOTO POINT AGAINST CKPOLAR MISSION. SUBJECT REF A NO LONGER NEEDED FOR USE OUTLINED REF B SINCE ANOTHER MORE SUITABLE CANDIDATE AVAILABLE. NEED FOR URGENT APPROVAL EXPLAINED BELOW.

2. APARTMENT IS ON THIRD FLOOR OF MENTIONED REF C BUILDING WITH EXCELLENT VIEW CKPOLAR MAIN GATE. TEST PHOTOS TAKEN AND INDICATE SITE SUITABLE FOR USE. THIS SITE WILL REPLACE FORMER KDABSINTHE PHOTO BASEHOUSE. KDADAGE-42 BRIBED RENTAL SECRETARY TO HOLD APARTMENT FOR HIM UNTIL 15 JANUARY. SAID HE HAD OUT OF TOWN FRIENDS INTERESTED THIS LOCATION. WE DOUBT HE CAN PERSUADE SECRETARY TO KEEP APARTMENT OFF RENTAL MARKET BEYOND 15 JANUARY.

3. MARRIED COUPLE ORIGINALLY VETTED BY US AND HELD IN RESERVE

D 201-906628

CS COPY

SECRET

13 JAN 1973

50-6-74/3

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ACTION UNIT | INFO | FILE, VR

ACTION NO.

PAGE 2 MEXICO CITY 22307 S E C R E T

FOR THIS PHOTO OPERATION (SUBJECTS OF REF C) WERE, AS YOU KNOW, DIVERTED LAST WEEK TO OCCUPY LP FOR MPCHEEK AUDIO OPERATION.

4. WE HAVE NOT YET ASKED SUBJECT REF A AND WIFE IF THEY ABLE AND WILLING RUN PHOTOPOINT FOR US, BUT OLIVER J. MANKUNAS WHO KNOWS THEIR PERSONAL AND FINANCIAL CONDITION BELIEVES THEY WOULD WELCOME OPPORTUNITY.

5. REQUEST APPROVAL PROCEED BY PRIORITY CABLE. NEED APPROVAL PRIOR COB 13 JAN. SUGGEST ASSIGN NEW CRYPT TO THIS OPERATION. WILL FORWARD COMPLETE PRQ I AND II ASAP.

6. FILE: 50-6-74/3 201-906628 E2, IMPDET.

S E C R E T

IP/EDI FORWARDED
MAR 21 1 44 PM '73

IP/EDI RECEIVED
MAR 13 2 53 PM '73

SECRET

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, Western Hemisphere Division

INFO.: Chief, Soviet Bloc Division

FROM: Acting Chief of Station, Mexico City

SUBJECT: KDFACTOR Operational Report, 1 March 1972 through 31 July 1972

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: None; for your information and files.

REFERENCE : HMMA-41,734, 10 March 1972 (Previous Report)

INTRODUCTION

1. The KDFACTOR Project has been terminated because of developments reported in other channels. This will be the last of the operational reports forwarded to Headquarters and primarily a wrap-up of developments to date.

OPERATIONS

2. The KDFACTOR Project supported two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation. Operations from the KDLITERAL surveillance point were suspended on 4 July 1972, the equipment removed on 7 July, and the operator, KDFACTOR-2, terminated the same date. Operations from the KDABSINTHE surveillance point were suspended on 28 July, the equipment removed on 29 July, and termination of KDFACTOR-5 and his family accomplished the same date.

ADMINISTRATION

3. Oliver J. MANKUNAS continued to have responsibility for inside administrative chores and agent handling throughout the period. Processing of the photo product was accomplished inside the Station.

PERSONNEL

4. The project included five salaried assets. KDFACTOR-2 operated the KDLITERAL basehouse. KDFACTOR-5 operated the KDABSINTHE basehouse with the assistance of his wife KDFACTOR-6 and his two sons KDFACTOR-8 and -9. Both KDFACTOR-2 and -5 have served BKTRUST in their photo specialty since 1957.

CONTINUED . . .

EXEMPT FROM GENERAL DECLASSIFICATION OF E.O. 11652, EXEMPTION CATEGORY: § 5B(1),(2),(3) or (4) (circle one or more) AUTOMATICALLY DECLASSIFIED ON ________ (unless impossible, insert date or event)

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CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
/cc 584/mH	HMMA-42,197	1 August 1972

CLASSIFIED BY ________

	CLASSIFICATION	HQS FILE NUMBER
FILE	SECRET	50-6-74/3

5. KDFACTOR-2 will continue to reside in the KDLITERAL building, as part of his termination agreement, until probably sometime in December when he will move to new quarters of his own. The KDLITERAL building (MEXI-03, Unit 15) is part of the KDVAULT complex of buildings which will be disposed of as reported in other channels. If this occurs before December, KDFACTOR-2 will move at the time of disposal.

6. KDFACTOR-5 and his family will vacate the KDABSINTHE apartment o/a 31 August. KDABSINTHE is located in a building owned by KDABBEY who plans to dispose of his equity in the property in the near future.

PRODUCTION

7. KDLITERAL: Before being closed down, KDLITERAL, through KDFACTOR-2, was the source of within-the-compound photographic coverage of PCS and TDY MHHARSHers. He provided an average of three rolls of film a week and provided weekly written reports based on his visual observation of the target area.

8. KDABSINTHE: Operated by KDFACTOR-5, KDABSINTHE produced an average of six rolls of film a week and was our principal source for information on visitors to the MHHARSH installation, especially "WOCORK-type" persons and political exiles. This segment of KDFACTOR was also our main source of information on MHHARSH license plates and automobiles.

9. In addition, KDLITERAL and KDABSINTHE both provided detailed "attendance sheets" on all MHHARSH personnel. With the loss of this combined coverage, it will be difficult to identity personnel assigned to the MHHARSH installation or to monitor their daily movements in and out of the compound. The two surveillance points also provided periodic photo studies of the MHHARSH installation itself with emphasis on coverage of the construction changes and modification or additions made to the communications antenna system.

SECURITY

10. We were gratified to receive the very favorable Headquarters KDFACTOR security review which was forwarded as HMMW-19,061, 28 June 1972. There is no need for further comment.

PROBLEMS

11. Only the developments reported in other channels.

FINANCES

12. KDFACTOR Project termination costs have been charged to FY 1972 with the exception of rent payments and utility costs which are being charged to FY 1973. The breakdown of agent termination costs is as follows:

KDFACTOR-2	$102,000
KDFACTOR-5	29,575
KDFACTOR-6	35,380
KDFACTOR-8	8,112
KDFACTOR-9	19,592
TOTAL	$194,659 pesos ($15,572.72 USD)

PLANS

13. Not applicable.

EVALUATION/OBITUARY

14. We believe the KDFACTOR Project represented a professional

collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.

Oliver J. MANKUNAS

14-00000

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ACTION UNIT WH 8 | FILE. VR, C1, C1/OPS, F1

ACTION 978

S E C R E T 102318Z APR 72 CITE MEXICO CITY 19452

DIRECTOR

KDFACTOR 10 Apr 72 IN 582033

REF: DIRECTOR 252261

1. BRUCE H. FERNALD MET MONTHLY WITH RAYMOND H. GERENDE FROM JULY 1970 TO MAY 1971 TO PAY TEN INSTALLMENTS OF TERMINATION BONUS. LAST MEET WAS 4 MAY 1971. ALL IMPORTANT INFO ON PROBLEMS OF GERENDE AND WIFE (FORMERLY LIEMPTY-19) WAS REPORTED BY CABLE DURING THIS PERIOD, EXCEPT FOR NEWS THAT GERENDE VISITED HOLLAND DURING CHRISTMAS 1970 WHEN HAD AMICABLE VISIT WITH WIFE AND CHILDREN.

2. GERENDE IS OWNER OF HOUSE RENTED AUGUST 1970 BY STATION STAFFER JESSE R. GARDALPHE. HE STILL TEACHING ENGLISH TO EMPLOYEES OF TWO LOCAL FIRMS AND APPEARS FINANCIALLY PRESSED SINCE CLASS SCHEDULE REDUCED RECENTLY FROM SIX TO TWO HOURS PER DAY. STILL DRINKS, BUT APPARENTLY IN MODERATION. HAS INDICATED HE MIGHT VISIT WIFE IN HOLLAND THIS SUMMER. WE HAVE HEARD NOTHING DIRECTLY OR INDIRECTLY TO INDICATE GERENDE HAS VIOLATED HIS SECRECY AGREEMENT OR PROBED INTO LNLUTE STATUS OF GARDALPHE.

SECRET

10 April 72
50-6-74/3

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ACTION NO.			

PAGE 2 MEXICO CITY 19452 S E C R E T

3. FILE: 50-6-74/3. GP-1.

S E C R E T

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SECRET

ORIG: Julie Paulas
UNIT: WH 1/FI/CI
EXT: 4167
DATE: 6 APRIL 1972

CABLE SECRETARIAT DISSEMINATION

BY ___ PER ___

[ ] INDEX [ ] NO INDEX [ ] RETURN TO ___ BRANCH [ ] FILE RID

X FILE IN CS FILE NO. 50-6-74/3

CONF: C/WH 5 FILE, VR. CI/OPS, CI/OA, RID/AN

(classification) (date and time filed) (elite) (reference number)

SECRET

CITE DIRECTOR 252201

TO MEXICO CITY

KDFACTOR

REF: A. HMMW-18, 773, 23 DECEMBER 71
B. HMMA-41734, 10 MARCH 72

1. IN ORDER COMPLETE REF A KDFACTOR SECURITY REVIEW RE KNOWLEDGEABILITY OF TERMINATED AGENTS AND FAMILIES, STATION REQUESTED FURNISH BRIEF SUMMARY OF RAYMOND H. GERENDE'S ACTIVITIES FROM TERMINATION IN JUNE 1970 TO PRESENT. ABOVE INFO NEEDED PRIOR TO COB 11 APRIL, IN ORDER PROVIDE NEEDED DETAIL TO REF B.

2. FILE: 50-6-74/3.

END OF MESSAGE

WH COMMENT: Reference A requested an updated security review of KDFACTOR Operations and knowledgeability of terminated agents and families. Reference B is Station answer to Reference A. Reference B lacks detail regarding GERENDE, who handled KDFACTOR up to late 1970, present activities.

THEODORE G. SHACKLEY
C/WHD

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

LAWRENCE C. LASER
AC/WH/1

AUTHENTICATING OFFICER

50-6-74/3
7 April 72

DISPATCH	CLASSIFICATION SECRET	PROCESSING ACTION
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TO Chief, Western Hemisphere Division		NO INDEXING REQUIRED
INFO. Chief, Soviet Bloc Division		ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM Acting Chief of Station, Mexico City		MICROFILM

SUBJECT: KDFACTOR Operational Report, 1 September 1971 through 29 February 1972

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: None; for your information and files.

REFERENCES : A. HMMA-41,028, 17 September 1971 (Previous Report)
B. HMMW-18,773, 23 December 1971

OPERATIONS

1. The KDFACTOR Project continued throughout the past six months to support two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation.

ADMINISTRATION

2. Oliver J. MANKUNAS continued to have responsibility for inside administrative chores and agent handling throughout the period. Bruce H. FERNALD, who previously handled the assets, is the alternate case officer and would be available to take over agent meeting responsibilities in the absence of MANKUNAS. Processing of the photo product is accomplished inside the Station. Agent meetings have now been cut to a minimum, and the processing of the product and delivery to the consumer has been speeded up.

PERSONNEL

3. The project includes five salaried assets. KDFACTOR-2 operates the KDLITERAL basehouse and has been employed in this capacity since 1957. KDFACTOR-5 operates the KDABSINTHE basehouse with the assistance of his wife KDFACTOR-6 and his two sons, KDFACTOR-8 and -9. KDFACTOR-5 has also served BKTRUST in this capacity since 1957.

PRODUCTION

4. KDLITERAL: During this reporting period, KDLITERAL, through KDFACTOR-2, continued to be the source of within-the-compound photographic coverage of PCS and TDY MHHARSHers. He produced 55 rolls of

DISTRIBUTION:
Orig & 1 - C/WHD
1 - C/SBD

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CS COPY

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-41,734	10 March 1972
	CLASSIFICATION SECRET	HQS FILE NUMBER 50-6-74/3

film and provided weekly written reports based on his daily visual observation of the target area.

5. KDABSINTHE: Operated by KDFACTOR-5, KDABSINTHE produced 100 rolls of film and continued to be the principal source for information on visitors to the MHHARSH installation, with special attention given to visits of "WOCORK-type" persons and political exiles. This segment of KDFACTOR also continued to be the main source of information on MHHARSH license plates and automobiles.

6. KDLITERAL and KDABSINTHE both continue to provide detailed "attendance sheets" on all MHHARSH personnel. Without this combined coverage, it would be difficult to identify personnel assigned to the MHHARSH installation or to monitor their daily movements and activities. In addition, the two surveillance points provide periodic photo studies of the MHHARSH installation itself with emphasis on coverage of any construction changes and any modification or additions made to the communications antenna system. Both sites are also available to service special support requests as required. During the period, KDLITERAL performed a number of special photo surveys and a three-week frequency sweep requested by WOACRE.

SECURITY REVIEW

7. There were no known problems of security relating to the project. In response to Reference B request, we have reviewed all phases of the operation and believe that project security is sound. The project assets have all been with us for many years and have established themselves as respectable long-time residents of the area. All five assets, four in one family and one in another, are extremely security conscious and have all been SGSWIRLed. The assets derive a substantial portion of their livelihood from their ~~BKTRUST~~ employment and would thus lose a great deal if security factors ever necessitated a termination of their work for us. As an additional safeguard, the KDLITERAL and KDABSINTHE operations are compartmented from each other, and there has never been any indication that either segment of KDFACTOR knows of the other's existence.

8. The only termination of a project asset in recent years was KDFACTOR-1, who formerly processed the photo product from both surveillance points. KDFACTOR-1 was terminated amicably in March 1971. We still maintain periodic contact with him; and his brother, KDADAGE-14, continues to be one of our more valued MHHARSH access agents. KDFACTOR-1 is a reputable physician with a wide circle of friends, and on a number of recent occasions he has been very helpful when we have taxed his expertise in his field or requested background information on people in the medical profession. Although KDFACTOR-1 processed the photo product, he was not knowledgeable of the exact surveillance point locations. Delivery and pickup of the finished product was always accomplished by an outside case officer.

9. Contact is maintained with only two of the five assets. KDFACTOR-2 and -5, both of whom are responsible for the operation of their respective basehouses. Both KDFACTOR-2 and -5 are met weekly to obtain the KDLITERAL and KDABSINTHE product for timely processing and analysis by the Station. Meetings with KDFACTOR-2 are car pick-ups at periodically changed locations in the suburbs. Meetings with KDFACTOR-5 consist of car meetings early in the morning along his route of travel to his overt job. These meetings last only long enough to pick up the product, provide new supplies, and pay salaries, rents, utility bills, etc. Emergency contact plans are on file at the Station and have been forwarded to Headquarters on both KDFACTOR-2 and -5. KDFACTOR-6, -8, and -9 are members of KDFACTOR-5's immediate family and could be contacted through him using his emergency plan.

10. We have taken action recently to guard against the contingency that one of the present sites might be blown, and alternate

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-41,734

means might be required to continue the KDFACTOR coverage. In February 1972 an apartment became available in the same building complex which houses the KDABSINTHE installation. Through the cooperation of KDABBEY-1, we were able quietly to rent the apartment and install elements of the KDCALVERT team as residents. This location affords as good, if not better, vantage point for continuing photo coverage in the event the present KDABSINTHE location becomes untenable. We are also exploring alternate locations for KDLITERAL to solve the problem we face with this element of KDFACTOR coverage (see below).

PROBLEMS

11. The only known problem connected with the project is a product of mother nature which is threatening the effectiveness of KDLITERAL coverage. Approximately two years ago MHHARSH personnel planted eight small trees along the edge of the terrace leading to the garden. These trees have flourished and now have grown to the point where KDFACTOR-2, the KDLITERAL operator, estimates he only has a year more of effective operational capability. We are studying ways of solving this problem and will forward a separate dispatch to Headquarters on the topic in the near future.

FINANCES

12. There have been no changes in anticipated project expenses shown below for FY 1972 and FY 1973.

	FY 1972 (USD)	FY 1973 (USD)
SALARIES		
KDFACTOR-2	5,280	5,808
KDFACTOR-5	1,728	1,901
KDFACTOR-6	2,112	2,323
KDFACTOR-8	768	845
KDFACTOR-9	1,968	2,165
	11,856	13,042
BASEHOUSE RENT		
MEXI-03, UNIT 15	400	400
MEXI-132	3,550	3,840
	3,950	4,240
MISCELLANEOUS EXPENSES		
Basehouse utilities	750	800
Property maintenance & replacement	500	500
Christmas bonuses	988	1,087
	2,238	2,387
TOTAL EXPENSES	18,044	*19,669

PLANS

13. No changes in the project are contemplated.

EVALUATION

14. The support provided by the KDFACTOR Project to the Station REDTOP Program is indispensable. We believe the project represents a professional collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.

*Reflects anticipated salary raises and higher rent on MEXI-132 based on projected cost of living increase over two-year period.

OLIVER J. MANKUNAS

FORM 6-64 53a USE PREVIOUS EDITION.	CLASSIFICATION SECRET	CONTINUED	PAGE NO. 3

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, Western Hemisphere Division

INFO.: Chief, Soviet Bloc Division

FROM: Chief of Station, Mexico City

SUBJECT: KDFACTOR Operational Report, 1 March through 31 August 1971

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: None; for your information and files.

REFERENCE : HMMA-40,227, 8 March 1971 (Previous Ops Report)

OPERATIONS

1. The KDFACTOR Project continued throughout the past six months to support two visual and photographic surveillance points (KDLITERAL and KDABSINTHE) directed against the MHHARSH installation.

ADMINISTRATION

2. Howard T. BAGAUS handled the administration of the project until early April 1971 when project responsibility reverted from the Ops Support Section back to the REDTOP Section. At that time Timothy H. ARCHBOLD assumed the inside administrative chores, and agent meetings were turned over to the outside case officer Bruce H. FERNALD who had previously handled the assets. When ARCHBOLD departed PCS on 7 June 1971, Oliver J. MANKUNAS assumed his responsibilities. MANKUNAS also took over agent meetings when FERNALD left on home leave on 25 June and will continue to handle the project assets in the future.

3. Processing of the photo product is now accomplished inside the Station by Phemia B. CHAUVEAU. KDFACTOR-1, who formerly did all the processing in an outside safehouse/darkroom, was terminated amicably in early March 1971, and at that time the responsibility was turned over to CHAUVEAU. The new arrangement has proven to be more than satisfactory. Agent meetings have now been cut to a minimum, and the processing of the product and delivery to the consumer has been speeded up considerably.

PERSONNEL

4. The project includes five salaried assets. KDFACTOR-2 operates the KDLITERAL base house and has been employed in this capacity since 1957. KDFACTOR-5 operates the KDABSINTHE base house

CONTINUED . . .

DISTRIBUTION:
Orig & 1 - C/WHD
1 - C/SBD

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CROSS REFERENCE TO

DISPATCH SYMBOL AND NUMBER: HMMA-41,028

DATE: 17 September 1971

CLASSIFICATION: SECRET

HQS FILE NUMBER: 50-6-74/3

with the assistance of his wife, KDFACTOR-6, and his two sons, KDFACTOR-8 and -9. KDFACTOR-5 has also served JKLANCE in this capacity since 1957.

PRODUCTION

5. KDLITERAL: During this reporting period, KDLITERAL, through KDFACTOR-2, continued to be the source of within-the-compound photographic coverage of PCS and TDY MHHARSHers. He produced 76 rolls of film and provided weekly written reports based on his daily visual observation of the target area.

6. KDABSINTHE: Operated by KDFACTOR-5, KDABSINTHE produced 167 rolls of film and continued to be the principal source for information on visitors to the MHHARSH installation, with special attention given to visits of "WOCORK-type" persons and political exiles. This segment of KDFACTOR also continued to be the main source of information on MHHARSH license plates and automobiles.

7. KDLITERAL and KDABSINTHE both continue to provide detailed "attendance sheets" on all MHHARSH personnel. Without this combined coverage, it would be difficult to identify personnel assigned to the MHHARSH installation or to monitor their daily movements and activities.

SECURITY

8. There were no known problems of security relating to the project. The termination of KDFACTOR-1 should pose no security problem: Contact was broken amicably, and it is highly probable that he would be more than willing to help out again if his services are needed. Of the remaining assets, all five have been SGSWIRLED in the past. They derive a substantial portion of their livelihood from their JKLANCE employment and would thus lose a great deal if security factors ever necessitated a termination of their work for us. As an additional safeguard, the KDLITERAL and KDABSINTHE operations are compartmented from each other, and there has never been any indication that either segment of KDFACTOR knows of the other's existence.

9. Contact is maintained with only two of the five assets, KDFACTOR-2 and -5, both of whom are responsible for the operation of their respective base houses. Both KDFACTOR-2 and -5 are met weekly to obtain the KDLITERAL and KDABSINTHE product for timely processing and analysis by the Station. Meetings with KDFACTOR-2 are car pickups at periodically changed locations in the suburbs. Meetings with KDFACTOR-5 consist of car meetings early in the morning along his route of travel to his overt job. These meetings last only long enough to pick up the product, provide new supplies, and pay salaries, rents, utility bills, etc. Emergency Contact Plans are on file at the Station and have been forwarded to Headquarters on both KDFACTOR-2 and -5. KDFACTOR-6, -8, and -9 are members of KDFACTOR-5's immediate family and could be contacted through him using his emergency plan.

PROBLEMS

10. There were no known problems connected with the project during the reporting period.

FINANCES

11. The termination of KDFACTOR-1 and the subsequent elimination of outside photo processing costs accounts for the drop in anticipated project expenses shown below for FY 1972 and FY 1973.

SALARIES	FY 1972 (USD)	FY 1973 (USD)
KDFACTOR-2	5,280	5,808
KDFACTOR-5	1,728	1,901

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-41,028

SALARIES (con't)	FY-1972 (USD)	FY-1973 (USD)
KDFACTOR-6	2,112	2,323
KDFACTOR-8	768	845
KDFACTOR-9	1,968	2,165
	11,856	13,042
BASE-HOUSE RENT		
MEXI-03, UNIT #15	400	400
MEXI-132	3,550	3,840
	3,950	4,240
MISC. EXPENSES		
BASE-HOUSE UTILITIES	750	800
PROPERTY MAINTENANCE & REPLACEMENT	500	500
CHRISTMAS BONUSES	988	1,087
	2,238	2,387
TOTAL EXPENSES	18,044	19,669*

PLANS

12. No changes in the project are contemplated.

EVALUATION

13. The support provided by the KDFACTOR Project to the Station REDTOP Program is indispensable. We believe the project represents a professional collection effort being run securely and successfully against a sensitive target with a minimal expenditure of funds and case officer time.

*Reflects anticipated salary raises and higher rent on MEXI-132 based on projected cost of living increase over two year period.

Oliver J. Mankunas

Oliver J. MANKUNAS

50-6-74/3

14-00000

file ops folder

SECRET

Chief of Station, Mexico City

Chief, Western Hemisphere Division

ADMIN/FINANCE KDFACTOR/KDVAULT--FY 71 Safehouse Expenses

Reference: HMMT-11016, dated 16 July 1971

1. Headquarters has analyzed the KDFACTOR and KDVAULT project charges to Sub-Object Class 2353, as requested in reference. These projects have received credit for the rent refunds recorded on the vouchers mentioned in paragraph 5 of reference.

2. Attached, for the Station's information, is a breakdown of the expenses charged to these projects under S.O.C. 2353. These totals equal the total expense reported on the 30 June 1971 ... The Station will note that all expenses incurred in the operation and maintenance of the safehouses are included under this Sub-Object Class.

3. The Station's method of handling the MEXI-03 rent accounting is completely satisfactory to Headquarters.

Patrick W. MAYSTON

Distribution:
3-Chief of Station, Mexico City

Attachments:
As Stated Above

DISPATCH SYMBOL AND NUMBER: HMMW-7316

DATE:

CLASSIFICATION: SECRET

HQS FILE NUMBER:

ORIGINATING

OFFICE: WH/B&F - [signature] - 24 August 1971 EXT 7763

COORDINATING

OFFICE SYMBOL: C/WH/1 DATE: 21-8-71 OFFICER'S NAME: L. Lacey for

(INTERNAL) DISTRIBUTION:
WH/B&F
WH/REG
WH/1

14-00000

DISPATCH	CLASSIFICATION S-E-C-R-E-T	PROCESSING ACTION
TO Chief, Western Hemisphere Division		MARKED FOR INDEXING / NO INDEXING REQUIRED
INFO.		ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM Chief of Station, Mexico City		MICROFILM

SUBJECT KDFACTOR/KDVAULT- Expense Credit for KDABBEY Refunds of MEXI-03 Rents

ACTION REQUIRED - REFERENCES

1. Upon reviewing Station's Obligation Status Reports from Headquarters, it has been noted that there apparently have been no credits entered for KDABBEY's net rent refunds on MEXI-03

2. MEXI-03 is owned by JKLANCE, with KDABBEY as the ostensible owner. Each month the Station gives the occupant of Units #11, 13, 15 and 17 of MEXI-03 their rent for the month in advance, which they then pay to KDABBEY's agent. Originally this agent was KDVAULT/2, who was witting of the rental arrangement and neither received nor paid rent on Unit #11, which he occupied. Since his termination in April 71, Unit #11 has been occupied by KDVAULT/9, who is not witting of the arrangement. The current occupancy and rent structure for MEXI-03 is:

UNIT #	OCCUPANT	MONTHLY RENTAL	PROJECT CHARGED
11	KDVAULT/9	1,700.00MN	KDVAULT
13	KDVAULT/3	1,650.00MN	KDVAULT
15	KDFACTOR/2	1,430.00MN	KDFACTOR
17	KDVAULT/5	1,540.00MN	KDVAULT

3. At the end of each quarter, KDABBEY submits to the Station an accounting recording the rents received on the four units of MEXI-03, and the expenses incurred for property taxes, rent receipt stamp taxes, municipal water charges, maintenance and repairs, and similar items during the quarter. The difference between the rents paid to and the expenses incurred by KDABBEY as ostensible owner of MEXI-03, is refunded to the Station by KDABBEY with the quarterly accounting.

.....continued

Distribution: Orig & 2 - Chief, WH Division

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMT 11016	16 July 1971
	CLASSIFICATION S-E-C-R-E-T	HQS FILE NUMBER

CONTINUATION OF DISPATCH	CLASSIFICATION S-E-C-R-E-T	DISPATCH SYMBOL AND NUMBER HMMT 11016

4. When monthly rents are paid to KDVAULT/3, 5 and 9 and KDFACTOR/2, they are expensed to the appropriate project and entered in a KDABBEY Memorandum Account. When KDABBEY's refund is received, it is recorded as a credit to expense pro-rated between KDVAULT and KDFACTOR, and the Memo Account is cleared.

5. The vouchers recording expense credits from KDABBEY rent refunds for FY 1971 (with one more refund to be made) are: Vou. 10634, 23 Oct 70 (July-Sept); Vou. 110[illegible], 12 Jan 71 (Oct-Dec); and Vou. 11575, 19 May 71 (Jan-Apr).

6. It is requested that recording of these vouchers at Headquarters be reviewed, since Station's analysis of the Obligation Status Reports figures as of 31 May 1971 indicate that no such expense credit has been recorded for KDVAULT or KDFACTOR in S.O.C. 7350 or any other S.O.C. for Vou. 10634 and Vou. 11023, both of which should have shown up by the 31 May OSR.

7. If there is some particular reason why the KDABBEY refund of MEXI-03 rents has not been credited to expense, or if Headquarters wishes the Station to handle the MEXI-03 rent accounting in another manner, please advise.

Norris A. DESSIMOZ

SECRET
(WHEN FILLED IN)

S/C SPLIT

ROUTING AND RECORD SHEET

INSTRUCTIONS

PRIOR TO FILING	TO: ACTION BRANCH
1. Fill in Sect. 2 on back. Detach back flap and forward to RID. 2. Destroy front cover sheet, unless it records significant action taken or comments requiring preservation.	If file no. and title shown are not proper, insert proper file no. below and forward document to RID/AN.

FROM:

RID

LUNGER TED
RID/AN
EXT. 4239

GN-993
GA50
TUBE GT7

PROPER FILE NO

TO: ALL ADDRESSEES
FILL IN SECTION 1 ON BACK IF APPROPRIATE

TO	ROOM NO.	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS
1. WH/1		29 MAR 1971	29 MAR 1971	[illegible]
2. DC		29 MAR 1971		
3. C/WH			29/3	[illegible]
4. [illegible]				[illegible]
5. Kraveon			7 APR 1971	K
6. WH/B+F				[illegible]
7.				
8.				
9. WH/CONTRACTS		21 April	21 April	WSK
10.				
11.				
12. WH/1/[illegible]		~~[illegible]~~ 24	[illegible]	K
13.				
14. File				
15.				
16.				
17. RID/FI				

COMMENTS

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note termination of KDFACTOR-1. [illegible] can use $4,000 [illegible] someplace else.

We can use it [illegible].

4-5: How soon will this $ be available? Any extra terminat. expenses?

5-6: note termination + resulting savings.

5-9: FYI.

9-12 Thanks for the opportunity to review. [illegible] as [illegible] security [illegible] be [illegible] as well as savings in time.

MICROFILMED
MAR 29 1971
DOC. MICRO. SER.

FILE TITLE

TRACE REQUEST	ABSTRACT	
	INDEX	

FILE NUMBER (PRIMARY CODE)
50-6-74/3

DATE MICROFILMED

DOCUMENT DATE
8 MAR 71

DOCUMENT NUMBER
HMMA 40227

FORM 1-63 610a USE PREVIOUS EDITIONS

SECRET

(40)

87637

DISPATCH	CLASSIFICATION: S E C R E T		PROCESSING ACTION
TO: Chief, WH Division	MICROFILMED MAR 29 1971	XX	MARKED FOR INDEXING 3P
			NO INDEXING REQUIRED
INFO: Chief, SB Division			ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM: Chief of Station, Mexico City			MICROFILM

SUBJECT: KDFACTOR/
Operational Report for the Period 1 October 1970 - 28 February 1971

ACTION REQUIRED - REFERENCES

REFERENCE: HMMA-39679, 28 October 1970 (Previous Operational Report)

GENERAL

1. The KDFACTOR Project continued throughout the period to support two visual and photographic surveillance points (KDLITERAL and KDABSINTH) directed against the MHHARSH installation and to support the related photo processing of the product.

2. The Station is presently taking steps to terminate KDFACTOR-1 the photo processor and move this phase of the operation into the Station.

3. Primary responsibility for the operational and administrative handling of Project KDFACTOR was transferred on 1 December 1970 to the Operational Support Section, and handling of the KDFACTOR personnel was turned over to Howard T. BAGAUS on 2 December 1970.

MEETING ARRANGEMENTS

4. KDFACTOR-5: This agent is met by BAGAUS at 0800 each Tuesday morning at one of four different sites near the Anillo Periferico in Polanco, some three miles from the Station. The modus operandi used with this agent is basically the same as previously used by Bruce H. FERNALD. All meetings are held in the case officer car, and after the meetings, KDFACTOR-5 resumes his trip to work.

Continued....

Attachments: (Split Transmission)
1. Right Side - H/W
2. Left Side - USC
3. IDENTITY - USC

Dated 25 MAR 71

Distribution:
2 - Chief, WHD, w/att
2 - Chief, SBD, w/att

1 ATT

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CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-40227	8 March 1971
	CLASSIFICATION: S E C R E T	HQS FILE NUMBER: 50-6-74/3

5. KDFACTOR-2: He is met at 1630 every Tuesday by BAGAUS. in several new widely spaced sites. Modus operandi is basically the same as that described in the previous operational report for FERNALD, and after the meeting, KDFACTOR-2 proceeds to his cover job.

6. KDFACTOR-1: After meeting with KDFACTOR-2, BAGAUS drives via round-a-bout route to a location several blocks away from the KDFACTOR-1 medical office, where he leaves his car and walks to the office (taking counter-surveillance precautions on the way). BAGAUS, as FERNALD previously, uses the notional cover of either a pharmaceutical salesman for "Laboratorios del Norte" or that of a patient while waiting in the outer office. The waiting period normally depends upon whether KDFACTOR-1 is in at the time, or whether he is in the middle of an operation at the hospital. (Waiting periods vary from immediate admittance to the KDFACTOR-1 office to several hours). The average period is about twenty minutes. A decision was reached in the Station to terminate this asset and to transfer this phase of the operation to the Station itself, in the interest of speed, security, and cost. This termination is planned for early March 1971, at which time, the processing will be done in the Station.

SECURITY

7. There have been no known security problems during this reporting period.

PRODUCTION

8. KDLITERAL: During this reporting period, KDLITERAL through KDFACTOR-2 has again been the principal source of within-the-compound photographic coverage of PCS and TDY MHHARSHERs producing 129 rolls of film. During the period covered, a great change of PCS personnel at the MHHARSH installation took place, and KDLITERAL played a leading role in assisting the Station in identifying the new members of the installation, through not only photographic coverage, but through detailed visual reporting also. In addition to reporting on the activities of the different individuals in the target installation, KDLITERAL has also reported on significant construction changes in the compound such a recent change in the antenna configurations on the roof of the main building. During this period, KDLITERAL has been specifically targetted against AEJEFE, on whom which a special report has been submitted.

9. KDABSINTH: Operating through KDFACTOR-5, KDABSINTH produced 158 rolls of film. It provided the Station with information on visitors to the MHHARSH installation, giving special attention to visits of "WOCORK-type" persons. KDABSINTH continues to fulfill requirements from the various sections of the Station who have requested fixed surveillance of political exiles, etc., to determine if these individuals are in contact with the MHHARSH installation. This segment of KDFACTOR continues to be the main source of information on MHHARSH license plates and automobiles.

10. Both KDLITERAL and KDABSINTH continued to provide detailed "attendance sheets" on all MHHARSH personnel. In addition, they provided reports on the activities and associates of IDENTITY who was on TDY in Mexico from 15 October through 4 November 1970. During this period both units were also involved in surveilling the movements of an AEKICK technician, (201-838166) who periodically makes trips to other Latin American countries on short notice.

FORWARDED BY SPLIT TRANSMISSION
NO FIELD DISSEMINATION

PLANS AND CHANGES

11. With the exception of the termination of KDFACTOR-1 (paras. 2 and 6) there are no further changes contemplated in this operation during the next reporting period. It is expected that the termination of KDFACTOR-1 will represent about $4,000 US in yearly savings for the operation, and that the previous two week photo

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-40227

processing backlog will be narrowed to a week at the longest.

Howard T. BAGAUS

FORWARDED BY SPLIT TRANSMISSION
NO FIELD DISSEMINATION

50-6-74/3

FORM 8-64 (40) 53a USE PREVIOUS EDITION.	CLASSIFICATION SECRET	CONTINUED	PAGE NO. 3

11P

SECRET

USC ATT. #3 TO HMMA-40227, 8 MARCH 1971

IDENTITY - Viktor Nikitovich KRESOV, 201

AEKICK Office of the Executive
Action Department

SECRET

S/C ATT 1 to HMMA-40227

50-6-74/3

14-00000

SECRET
(WHEN FILLED IN)

ROUTING AND RECORD SHEET

INSTRUCTIONS

PRIOR TO FILING

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TO: ACTION BRANCH

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PROPER FILE NO.

FROM:

RID.

PYAN, DONALD — ER-899
RID/AN — CA-50
EXT. 4239 — TUBE CT-Z

TO: ALL ADDRESSEES
FILL IN SECTION 1 ON BACK IF APPROPRIATE

TO	ROOM NO.	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS
1. WH/1		12 Nov 1970		
2. DC		13 NOV 1970		L
3. C/WH/1				C
4. Wheeler		19 NOV 1970		
5. Kravcov				K
6.				
7. SB/X/WH			8/12	DD
8.				
9. WH/1 Kravcov			8 DEC 1970	K
10.				
11. CI/OPS/WH			10 Dec 70	
12.				
13. WH/1 /Kravcov				
14. ~~WH/COR~~		15 Dec	15 Dec	J
15.				
16.				
17. RID. FI				

COMMENTS

Copy Detached

(How do you all feel about para 12 (semi-annual progress reports)?)

5-7: Concur.

3-2+4. Semi-annual reporting OK with me. Check SB and see if they agree.

4-5: Since you are the one to follow this, I'll leave the question of semi-annual reporting to you. On a project such as this, perhaps the rules might be bent just a bit. Pls check regs to see if quarterly reports are demanded (I think they may be). In any case, your answer should tell them o.k., but there should be sufficient other reporting to enable us to follow the project adequately. You should also check SB to see how they feel. — Concur - DD

FILE TITLE

TRACE REQUEST | ABSTRACT | INDEX

FILE NUMBER (PRIMARY CODE): 50-6-74/3

DATE MICROFILMED

DOCUMENT DATE: 28 Oct 70

DOCUMENT NUMBER: HMMA 39679

SECRET

(40)

12497

14-00000

DISPATCH

CLASSIFICATION: S E C R E T

PROCESSING ACTION: MARKED FOR INDEXING; XX NO INDEXING REQUIRED; ONLY QUALIFIED DESK CAN JUDGE INDEXING; MICROFILM

TO: Chief, WH Division

INFO.: Chief, SB Division

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY Project/Operational Report, 1 July - 30 September 1970

ACTION REQUIRED - REFERENCES

REFERENCES: A. HMMA-39188, 10 July 1970

B. HMMW-17950, 10 June 1970

OPERATIONS

1. The LIEMPTY Project continued throughout the period to support two visual and photographic surveillance points directed against the MHHARSH installation and to support the related photo processing of the product.

a. LICALLA is the designation of that portion of the Project that covers surveillance of the rear and garden area of the MHHARSH installation. It operates from one of the units (MEXI-03) of the LIMESA, Station-owned properties, and it includes only one agent: LIEMPTY-9.

b. LILYRIC is the designation of that portion of the Project covering surveillance of the front entrance of the MHHARSH installation. It includes LIEMPTY-13 as the key member of the basehouse team, supported by his wife, LIEMPTY-14, who is the main photographer, observer and log-keeper, and their two sons, LIEMPTY-26 and -27 who assist in photography, maintenance of arrival and departure logs on target personalities, and preparation

Continued......

Attachments: (Split Transmission)
1. Right-hand Side - h/w
2. Left-hand Side - USC
3. Middle - USC

Distribution:
(2)- Chief, WHD, w/atts a/s
2 - Chief, SBD, w/atts a/s

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	HMMA-39679	28 October 1970
	CLASSIFICATION: S E C R E T	HQS FILE NUMBER: 50-6-74/3

of the typewritten reports submitted to the Station. The basehouse (MEXI-132) is located near the front of the MHHARSH installation and it is owned by LIMOUSINE. (Contrary to Reference B Project Renewal, LIMOUSINE is the actual, not "ostensible", owner of this property. Please see HMMA-33814, 8 January 1968, for full details of the various property transfers, destruction and re-construction of buildings and re-locations of operations connected with the Project, past and present.).

c. Photo processing is accomplished by LIEMPTY-4 except in special cases when prints are required quickly and are processed within the Station. LIEMPTY-4 has a darkroom located in the rear of his medical office and he handles the work after normal office hours with patients.

2. Outside case officer Bruce H. FERNALD handles the three key agents of the Project (LIEMPTY-9, -13, and -4). He meets with each once a week for passing requirements, paying agent and sub-agent salaries, rents and other expenses, providing supplies, and retrieving the product. Inside case officer Timothy M. ARCHBOLD handles the internal administration of the Project and is the Station contact with FERNALD.

MEETING ARRANGEMENTS

3. LIEMPTY-13: He is met by FERNALD in the early hours of Tuesday mornings at about 0730 in Polanco, an area far from the basehouse. LIEMPTY-13 parks his car and walks through a central park on Calle Horacio where he is intercepted within a ten-block distance by FERNALD, driving his car. During a drive together, instructions and product are passed between them and, once a month, LIEMPTY-13 is paid his salary and the salaries for LIEMPTY-14, -26 and -27. After drop-off LIEMPTY-13 returns to his car and proceeds to his full-time job, thus avoiding any direct route back to the basehouse operation.

4. LIEMPTY-9: After completing his surveillance workday from 0800 to 1500 hours, he completes his written reports and drives to meet FERNALD at around 1630 hours, also on Tuesdays. The location of car meetings varies but remains within a quiet, fairly secluded section. After leaving FERNALD, LIEMPTY-9 proceeds to his cover job at a brother's automobile dealership for the remainder of his day, again avoiding any direct route from FERNALD back to the basehouse.

5. LIEMPTY-4: After receiving the unprocessed take from LIEMPTY-9 and -13, FERNALD prepares instructions, as suggested by log entries that accompany the take, and goes to LIEMPTY- 4's medical office waiting room in the late afternoon. For these meetings, FERNALD appears to be a pharmaceutical salesman or a patient and gets to see LIEMPTY-4 only after all other visitors have departed. At each meeting, FERNALD delivers films from both LICALLA and LILYRIC for processing and retrieves the processed take that he had left the week before. While this arrangement means that some of the product (those photos taken soon after meeting with LIEMPTY-9 and -13) are almost two weeks old when received at the Station, we have not found this to be unacceptable. When speed is of the essence in special circumstances, the Station WOACRE technician can handle the processing.

SECURITY

6. With the exception of the potential problems connected with the Raymond H. GERENDE/LIEMPTY-19 divorce, of which Headquarters is aware, there are no known problems of security connected with this Project.

ASSIGNMENTS/PRODUCTION

7. During the period of this report, LIEMPTY-4 processed approximately 142 rolls of 36-exposure film. Roughly one-third comes from LICALLA and the remainder from LILYRIC which commands the better view and more trafficked approach. In addition to this routine workload, LIEMPTY-4 was called upon frequently for additional prints and enlargement of special targets or interest.

8. LIEMPTY-9 (LICALLA), in addition to his picture-taking (perched for seven hours daily atop a ladder arrangement to see above the heightened garden wall), regularly provides a detailed "attendance sheet" and a monthly summary of MHHARSH personnel activities. The photos are an indispensible tool in the day-to-day REDTOP operations program, providing photo identifications of PCS and TDY MHHARSHers and assisting to determine probable RIS affiliation based on observed associations within the compound. The detailed "attendance sheet" helps in keeping track of MHHARSHers present, their patterns and changes in pattern of activities. This information is often the principal tool in PBRAMPART activities, assisting in identifying the probable MHHARSH contacts of double agents despatched to the MHHARSH installation.

9. Following are some sample requirements which were levied on LIEMPTY-9 during the reporting period:

a. weekly reports of work being done at the installation by YERSHOV and PANOV (DIRECTOR 025386), TDY construction workers since May 1970.

b. special reports on the activities of AEMERGER who was under the microscope prior to home leave departure in July 1970.

c. reports on the activities and associations of Mikhail Vasilyevich UMNOV (201-819913), TDY AMTORG representative from New York who is of JKLANCE and LNERGO interest.

d. watch for the arrival of Viktor Nikitovich KRESOV, AEKICK officer of Executive Action Department.

e. confirm arrival and provide details of activities and associations of Subject of 201-866272 (Moble ANGUS), LNERGO/LNREAD double agent.

f. special report on AETURNKEY throughout the period. (LIEMPTY-9 is given a target for concentrated coverage and reporting over a two or three month period at a time.)

10. LILYRIC was provided with the same requirements as LICALLA (paragraph 9 a-e, above). LILYRIC is the main source of license plate and automobile information both on MHHARSHers and on visitors to the installation, and has a standing requirement to report by phone the arrivals of all obviously WOCORK citizens. One such individual, who now visits regularly, has been tentatively identified as the language instructor of the MHHARSH Ambassador's son and a potential lead which we will investigate. promising

CHANGES

11. Effective 1 July 1970, all of the agents of the Project received salary increases (HMMA-39548, 10 October 1970) for a net increase of $2,184.00 U/S/D per year.

12. Unless Headquarters believes that quarterly reports of operations are essential for an understanding of the functioning

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-39639

of the Project, the Station proposes to report semi-annually hereafter, on 31 October and 30 April, including sufficient financial and other data in April to assist in preparing project renewals. The value of the Project for both REDTOP and other Station operations has been well documented over a long period of time. There have been no recent additions or changes in either personnel or basehouse properties and none is contemplated. Any significant events which might affect the Project's operation, such as the GERENDE divorce, will, of course, be reported separately.

13. The basic operation of the Project remains the same with only spot requirements in support of specific objectives changing from time to time.

Timothy M. Archbold

Timothy M. ARCHBOLD

FORM 8-64 (40) 53a USE PREVIOUS EDITION.	CLASSIFICATION SECRET	CONTINUED	PAGE NO. 4

14-00000

HMMA-39188

LEFT SIDE H/W

RIGHT SIDE U/S/C

DISPATCH

CLASSIFICATION: S E C R E T

PROCESSING ACTION: XXXX NO INDEXING REQUIRED

TO: Chief, WH Division

INFO: Chief, SB Division

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY Project Operational Report, 26 March - 30 June 1970

ACTION REQUIRED - REFERENCES

References: A. HMMA-38700, 25 March 1970
B. HMMW-17950, 12 June 1970

1. With the termination of Raymond H. GERENDE, effected on 26 June 1970 and described in HMMA-39129, 29 June 1970, the LIEMPTY Project now consists of the operations of the LICALLA and LILYRIC photo base houses and the photo processing of LIEMPTY-4. Outside case officer Bruce H. FERNALD handles all agents, normally on a once per week basis, and passes the take to his Station contact. Operational funds are passed to FERNALD by his Station contact, and FERNALD pays all agent salaries, rents, and other expenses. The elimination of GERENDE has resulted in some loss of efficiency, since base house personnel cannot regularly be met as frequently as in the past. This can mean a delay of up to two weeks in receipt by the Station of photos. However, LILYRIC and LICALLA personnel have standing requirements to report by telephone visits of Americans, and they are also alerted in advance whenever possible to forthcoming TDYs of MHHARSH visitors, so that arrangements can be made for special meetings and speedy processing of photos. Normally, all photos are developed and printed by LIEMPTY-4. When speed is of the essence, however, negatives are sent into the Station for processing by the WOACRE technician. Thus, while GERENDE's loss is a serious one in certain respects (he was, on the local scene, talented, knowledgeable, and experienced), LIEMPTY production has not suffered greatly.

Attachment:
1. Left side h/w
2. Right Side u/s/c

received by RIDIAN on 23 July 70

FORWARDED BY SPLIT TRANSMISSION

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Distribution:
2 - C/WH w/left side h/w and right side u/s/c
1 - C/SB w/left side h/w and right side u/s/c

copy sent to SB/X/WH

LIEMPTY

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-39188	10 July 1970
	CLASSIFICATION: S E C R E T	HQS FILE NUMBER: 5-74/3

2. As far as the security problem is concerned, the generous termination settlement awarded to GERENDE has probably removed whatever small temptation there may have been on his part to be indiscreet about his former association. Although GERENDE has certain character weaknesses which emerged as a lack of dedication and a feeling that he could get by with as little work as possible, the Station believes that he is basically not an irresponsible person, and that he realizes not only that he has an obligation to respect security, but that he also realizes that he has been treated fairly and with great patience. He has offered his services for the future, and he was told that we appreciated the offer and did not want to lose complete touch with him, but for now he should devote himself to getting a good job.

3. As for GERENDE's wife, LIEMPTY-19, she also appeared to be grateful for the termination bonus which she had been granted (and which she was told had not been carved out of what was due GERENDE). On the other hand, she has less reason to be loyal to JKLANCE, and her mental stability is somewhat open to question. Therefore, she poses a greater threat to LIEMPTY security than does GERENDE. At the same time, she knows much less about Station operations and personnel than does GERENDE. Furthermore, it is not likely that she would (a la Mrs. LIROCKET-1) go directly to the MHHARSHers with her information. What she might do is reveal to her lawyer that GERENDE had worked for LNPURE and therefore had income to which she might feel that she is entitled. Since GERENDE is no longer employed and therefore no longer has regular income (except for monthly payments of the termination bonus, which she has agreed in writing not to claim), this threat has also been lessened. Theoretically, however, she could expose LIEMPTY and LIFEAT techniques (since she has been a LIFEAT transcriber), but she could not, as far as we know, expose any currently employed agents, with the exception of LIEMPTY-4, who is married to GERENDE's sister. (None of the above assessment of the possible security threat posed by LIEMPTY-19 is changed by her 8 July visit to JKLANCE Headquarters.)

4. There have been no changes in the functioning or activities of the LICALLA base house. In addition to the routine photos, "attendance reports," and special concentration on the activities of various individuals (most recently AETURNKEY), LIEMPTY-9 responded to a number of spot requests. For instance, it was LICALLA coverage which was instrumental in helping to identify the AEGRIP officer who came to Mexico City to meet an LNREAD agent (see MEXICO CITY 2820, 30 March 1970) and to establish that the TDYer spent most of his time in the company of other AEGRIP officers. Also, when the AEKICK inspectors finally arrived early in April, LIEMPTY-9 was able to establish that their principal "escort officer" appeared to be AETURNKEY. LIEMPTY-9 was also alerted to watch for the arrival of the subject of DIRECTOR 042120, 12 June 1970 (and has not, as of this writing, seen any sign of him). Perhaps the most useful contribution during the reporting period was the updating of a sketch of the back of the MHHARSH Embassy, identifying the persons he most often sees at each window. Used in conjunction with the AEMIDRIFF debriefing (and her knowledge of the inside), this helped us come up with as accurate a view as we have ever had of the location of various offices and officers within the MHHARSH Embassy.

5. There have also been no changes in the functions or activities of the LILYRIC base house personnel. Photos and logs of daily comings and goings were routinely furnished. The logs once again proved their value by indicating that the subject of MEXICO CITY 3389, 8 June 1970, was probably lying when he said that he had meetings with AETURNKEY at certain times on certain dates.

50-6-74/3

The logs showed that AETURNKEY might have made the first meeting, but would certainly have been late for it. For the alleged second meeting, however, the log showed that AETURNKEY was in the MHHARSH Embassy for the entire period of the meeting (subject of MEXICO CITY 3389 later amended his story to say that AETURNKEY had not made the second meeting). LILYRIC personnel were quick to spot the subject of MEXICO CITY 3542, 25 June 1970, making visits to the MHHARSH Embassy, and reported these visits by phone even before the Station had learned, from LIENVOY, of this person's telephone call. Several other visitors of apparent WOLADY nationality were also routinely reported to local LNERGO, along with a request for license plate resolution if a WOLADY license plate is spotted. Late in June, LILYRIC was alerted to report the possible visit of a person who had made a phone call to 201-087316, offering the latter some "interesting information." LILYRIC spotted and photographed a person who may be identical with the caller, and attempts are now under way to resolve this.

6. LIEMPTY-4 continues to handle all photo developing and printing (except when certain prints are needed quickly), and in spite of his leg injury, from which he is now recovered, he did not miss any deadlines. The fact that GERENDE has been terminated is not expected to affect his relationship with the Station, even though he is married to one of GERENDE's sisters. FERNALD has established good rapport with him, and he has stated that GERENDE's problems are not his and will have no effect on his association.

7. The above recital of LILYRIC and LICALLA activities would seem to indicate a heavy CI emphasis. Actually, this is not the case. While CI is an important by-product, not only for ourselves but also in support of walk-in operations run by other agencies, the day-in day-out bread and butter photo and fixed surveillance information is of great importance to our positive operations. The data base which has been built up and maintained by LIEMPTY facilities, along with the services of LIENVOY, LIFEAT, and LIEMBRACE, give the Station an impressive support apparatus which is vital to our program.

8. With respect to the approved project renewal forwarded with Reference B, we have the following comments:

a. Through an oversight, we neglected to report in Reference A that LILYRIC base house rent was raised as of 1 January 1970 to an annual rate of $3,360.00 (USD).

b. LICALLA base house rent was raised, effective 1 July 1970, to an annual rate of $1,373.00 (USD). (Reference B shows that this figure has already been requested for FY 1971.)

c. As indicated in Reference A, salary increases for all remaining LIEMPTY personnel will probably be recommended in the near future.

d. The GERENDE dark room rent (MEXI 137) is now being paid to LIEMPTY-4. Pending the completion of GERENDE's new house the lab work was being done temporarily in LIEMPTY-4's office. With the suspension, and now the termination of GERENDE, it became necessary to make this a permanent arrangement, and the Station felt it only fair to pay LIEMPTY-4 this fee ($80.00 USD per month), not only for the use of his space but also for increased water and electric bills (particularly the latter) resulting from his having to develop, print, and dry the photos. GERENDE was paid through December 1969, and in June 1970 LIEMPTY-4 was paid retroactively for the period 1 January to 30 June 1970. It is planned to continue the monthly payments, so this item should be restored in the next project renewal request.

e. Regarding vehicles, MV 2947 (not MV 2823) was sold in FY 1970. MV 2823 is the LIENTRAP vehicle, and is still in use. It is, however, used in the LIEMBRACE Project and the maintenance expenses ought to be charged to LIEMBRACE, just as are the salaries of LIEMPTY-10 and LIEMPTY-11, who operate the LIENTRAP vehicle.

9. The changes noted above do not involve large amounts of money, and are also to some extent offsetting. Therefore, it is not likely that these changes will require additional funds for FY 1971 over the amount approved.

10. As requested in Reference B, following are emergency commo plans as worked out by FERNALD:

a. LIEMPTY-4: Spanish should be used when talking to his secretary; Spanish should also be used, preferably, when talking to LIEMPTY-4. In view of his profession and the uncertainty of his working schedule, the person making the contact should go unannounced to his medical office at Carlos B. Zetina 73 between 1700 and 1830 hours. In the waiting room there is a secretary and the caller should tell her that he was referred by "Sr. Victor de los Laboratorios del Norte" and wants to see the doctor. When admitted, the officer should tell LIEMPTY-4 that he is certain the doctor remembers Sr. Victor. LIEMPTY-4 will answer affirmatively. For positive identification, the officer will show the last salary receipt signed by LIEMPTY-4. LIEMPTY-4 needs no positive identification, because his diplomas with pictures are exposed in visible places in the waiting room.

b. LICALLA (LIEMPTY-9): Spanish only should be used.
After 1630 hours but before 1800 hours, phone to his place
of cover business (phones: 6-66-15-44 through 48) and ask
for LIEMPTY-9. Caller should identify himself as a friend of
Victor and state his own interest in having some property
insured through him. Add that the caller would like to discuss
the matter with him over a cup of coffee. Arrange date and
time (about 1700 hours) of meeting. Prearranged place:
Woolworth Store at Reforma, near the Reforma Hotel, in the
hardware and tools department. LIEMPTY-9 will have a briefcase
(or attache case) and a rolled up newspaper in the same hand.

PASSWORD: Officer: Please, where can I get a tape measure calibrated in inches? I need it for my Club.

LIEMPTY-9: You should have no problem in finding one.

For positive identification the officer will show last salary
receipt signed by LIEMPTY-9. LIEMPTY-9 will pull out of his
briefcase a Monterrey Insurance Co. application form with his
name written in the upper right corner. The first and third
Tuesday of each month LIEMPTY-9 will be walking in front of
SEPS-Paris Restaurant, on the Insurgentes side, from 1620
to 1630 hours, with his briefcase as stated above. Password
and identification are as stated above.

c. LILYRIC (LIEMPTY-13): Spanish only should be used.
Phone his place of work (5-20-60-20, ext 367), his secretary
usually answers, and ask LIEMPTY-13 if he received the present
his friend Victor sent him, because Victor has not heard from
him for some time. LIEMPTY-13 will answer negatively re the
present. The caller will request a meeting with LIEMPTY-13
because he wants to be able to tell Victor how his friend
the Ingeniero was. Arrange date and time of meeting. Place
is prearranged: in the Koala Restaurant-Cafeteria at the
corner of Ejercito Nacional and Moliere (Gigante Super Market
parking lot). LIEMPTY-13 will be sitting (or standing) in

the waiting area holding a medium sized manila envelope in one hand and two addressed but unsealed airmail envelopes in the other.

PASSWORD: Officer: Can I catch a bus for Santa Monica here?

LIEMPTY-13: I am not very sure, but I will ask somebody.

For positive identification, the officer will show last salary receipt signed by LIEMPTY-13. LIEMPTY-13 will show a folded box of Colgate tooth paste. On the second and fourth Thursday of each month, LIEMPTY-13 will be walking in front of the above-mentioned Koala Restaurant-Cafeteria, on the Ejercito side, from 1330 to 1340 hours. As a recognition signal he will hold the three envelopes as described above, except that if it is ~~raining,~~ he will have all envelopes in one hand but arranged so that the two airmail envelopes will be easily visible. Password and identification are as stated above.

Vincent P. Rizzuto

Vincent P. RIZZUTO

FORWARDED BY SPLIT TRANSMISSION
NO FIELD DISSEMINATION

50-6-74/3

14-00000

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☐ FILE RID ☐ RETURN TO BRANCH

ACTION UNIT SB 8 | INFO FILE, VR WH 8, RI/AN, CI, CI/OPS, CI/IC 2, FI 2

ACTION NO. 549

S E C R E T 162216Z APR 70 CITE MEXICO CITY 2984

DIRECTOR

16 APR 70 IN 064392

REDTOP AETARGET AEKICK

REFS: A. DIRECTOR 025386

B. MEXICO CITY 2962 (IN 063471)

1. ACCORDING TO LILYRIC AND LICALLA, LOCALLY HIRED PAINTERS HAVE BEEN OBSERVED AT MHHARSH INSTALLATION SINCE MONDAY 13 APRIL, PAINTING MAIN BUILDING. THERE HAS BEEN NO DELIVERY OF MATERIALS SUCH AS DESCIBED PARA 4 REF A.

2. FILE 201-854249. GP-1

S E C R E T

File: Humpty/OPS

SECRET

DISPATCH	CLASSIFICATION SECRET	PROCESSING ACTION
		MARKED FOR INDEXING
TO Chief, WH Division	XX	NO INDEXING REQUIRED
INFO. Chief, SB Division		ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM Chief of Station, Mexico City		MICROFILM

SUBJECT LIEMPTY Progress Report 1 November 1969 - 25 March 1970

ACTION REQUIRED - REFERENCES

Reference: HMMA-38119, 18 November 1969 PRIORITY

SUMMARY

1. The LIEMPTY Project has thus far survived the absence from duty of its principal agent, Raymond H. GERENDE, as well as the threat to the security of the Project represented by GERENDE's marital problems. Bruce H. FERNALD has been handling all Project personnel since early December 1969, when GERENDE was deactivated and placed on half-pay. No problems have resulted from this, other than a delay in the receipt of photos (FERNALD is unable to meet LIEMPTY personnel as frequently as GERENDE was). The security threat will remain as long as GERENDE's estranged wife has it within her power to expose GERENDE's RVROCK connection and the type of work he was engaged in. She has continually promised not to do this, and thus far she has kept her word.

2. The LIEMPTY product continues to be a valuable one for the Station. It continues to play an important CI role (particularly for LNERGO and LNREAD) but its greatest value, as far as the Station is concerned, is in the positive field. Two recent examples underline this: The early (and thus far only) debriefing of AEMIDRIFF was accomplished almost exclusively by showing her photos of all MHHARSH Embassy personnel and getting from her a character sketch on each individual. These photos were all obtained by LILYRIC and LICALLA. Secondly, LIEMPTY observations (as opposed to

Attachment:
Reports u/s/c

Distbituion:
2 - C/WH w/att u/s/c
1 - C/SB w/att u/s/c

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-38700	25 March 1970
	CLASSIFICATION	HQS FILE NUMBER
	SECRET	50-6-74/3

photos) played an important role in our total coverage of AESEASICK during the recent operational activity undertaken against AESEASICK. In short, LIEMPTY remains a highly effective and highly useful support asset, whose product is obtained in order to be used operationally, not simply collected for the files.

GERENDE

3. The GERENDE problem is unquestionably a serious one. We are forwarding under separate cover copies of several memoranda prepared by GERENDE. One outlines the history of his marital problems, another describes the current legal situation, and a third outlines proposals for a settlement. There is no hope of reconciliation. The Station's position with GERENDE from the start has been that he must agree to an amicable settlement with his wife in order to insure that she would not feel forced to take steps which would jeopardize the security of Station operations. For this reason, the Station insisted from the beginning that any financial settlement with his wife would have to take into account the fact that he was receiving a certain salary from RVROCK, and that he could not fairly keep this salary out of the settlement on the grounds that his wife could make no legal claim to that salary. GERENDE's wife was made aware of our position on this, and she was grateful, even though she realized that this arrangement was strictly informal. The Station felt that GERENDE could not be allowed to use his RVROCK salary as a weapon in the dispute with his wife, because if he did, she could hardly be expected to refrain from exposing his connections. Indeed, events have shown that GERENDE's wife is a vindictive woman, and if it had not been clear to her that she, as well as GERENDE, would lose money if he loses his job, she might have blown the whistle long ago. GERENDE, for his part, would have preferred to keep his RVROCK salary entirely out of the picture. Eventually, however, he agreed that the Station position was fair, and he said he would conform.

4. The attached memoranda from GERENDE are, in the Station's opinion, basically fair accounts. In the beginning, the Station was inclined to give GERENDE's wife (LIEMPTY-19) the benefit of the doubt, largely because her description of GERENDE's character weaknesses came as no surprise (particularly his tendency to procrastinate, even when his marriage was at stake). Early in the conflict, LIEMPTY-19 contacted RIZZUTO and asked point blank what she could tell her lawyer about GERENDE's salary. She was told she could not mention the RVROCK portion under any circumstances, and that if she told anyone that GERENDE had any connection with LNPURE, the connection would be denied and GERENDE would be terminated. She appeared to accept this gracefully, even though it meant she would have to scale her support demands down to the level of GERENDE's overt income (GERENDE's monthly salary from RVROCK was over 7,000 pesos; he earned an additional 4 to 5,000 pesos teaching English, and he has since rented their house, for which he is receiving slightly less than 7,000 pesos monthly). Subsequently, LIEMPTY-19 was told that the Station would see to it that as long as GERENDE continued to receive an RVROCK salary, he would give her the same proportion of this salary that the courts determined should be paid from his overt income. This, of course, was strictly an informal arrangement, one which would stop the minute GERENDE stopped receiving a salary. Later, as LIEMPTY-19's position hardened and her vindictiveness began to rule her actions, LIEMPTY-19 was reminded by the Station that the longer it took for an amicable solution to be reached, the greater was the chance that GERENDE would lose his job. If she persisted in having him arrested (which she succeeded in doing twice), his job would be jeopardized. While she continued to repeat sweetly that she had no intention of causing his termination, and had never breathed a word to a soul about his RVROCK affiliation, her attitude was in fact jeopardizing his job and if he lost his job, she and the children, as well as GERENDE, would lose income. Her attitude is

doubly disappointing in view of the fact that as she became more and more unreasonable, GERENDE was moving in the other direction.

5. The outcome can still not be predicted. As can be seen from GERENDE's memos, the two sides are still far apart on a number of points, including specifically money. LIEMPTY-19 insists on 10,000 pesos per month. GERENDE is willing to pay 5,000. GERENDE is currently on half-pay, which means that his total (all source) monthly income is around 14,000 pesos. From this, he would not only have to pay the amount which is finally agreed upon, he must also continue payments of 2500 pesos per month to LIEMPTY-19's father (paying off a loan obtained to build their house). The complicating factor is the uncertainly of GERENDE's future with RVROCK. The Station has maintained for some time that it is impossible to continue to pay GERENDE his full salary solely torun the LICALLA and LILYRIC basehouses. Now that FERNALD has absorbed this duty with only small inconvenience and some loss of timeliness, it makes even less sense to put GERENDE to work only to do this. GERENDE has long been aware of the Station's thinking in this regard, and prior to the current personal crisis he had been told that he would have to work harder at a greater variety of tasks in order to retain his position. As Headquarters is aware, he had been given additional tasks, and, as reported in reference, he had begun to respond very well. There has never been any question of GERENDE's ability. As we have previously stated, he is personable, intelligent, bilingual and binational, and has had good training and experience in certain fields. On the other hand, there has long been doubt about his seriousness of purpose, his initiative, and his ambition. The "reversal of roles" which he describes in one of the attached memos, which took place when he was confined to his home as an LP keeper, did more than cause domestic problems -- it apparently deprived him of the discipline of a daily job. His well-deserved reputation for being lazy was earned years ago.

6. The question which must be answered is whether or not to terminate GERENDE. He can be useful to the Station, but the Station has learned to get along without him. What are the security hazards involved? The general range of his knowledge is described in paragraph 5 of reference. If all of this were blown, the loss to the Station, particularly in terms of support operations against the MHHARSH target, would be considerable. The Station does not believe that GERENDE would deliberately expose any of this, but it is impossible to predict what LIEMPTY-19 might do, particularly since she would feel that she had nothing to lose, having already lost a possible source of income through the termination. GERENDE's termination bonus would probably be in the neighborhood of ten thousand dollars. Presumably LIEMPTY-19 is aware of the fact that he would get such a bonus, although the Station has never discussed this with her and the possible division of such a bonus between the two of them has never been mentioned.

<u>LICALLA</u>

7. The LICALLA basehouse continues to function without changes, except for the fact that Bruce H. FERNALD has been meeting LIEMPTY-9 since 9 December 1969. Brief meetings with LIEMPTY-9 are held once a week at pre-arranged times and places (well away from the MHHARSH area). Occasionally special meetings are called, by phone, by FERNALD, if special coverage is desired (as in the AESEASICK case, for example). There have been no problems, operational or personal, involving the basehouse or LIEMPTY-9 during the reporting period. LIEMPTY-9 provided 1,728 photographs during the reporting period, and in addition to his regular reporting on observed activities of MHHARSH personnel, he provided special coverage as requested. This "special coverage" consists of his observations of a selected individual -- who does he spend his time with, how is he behaving, when was he present (or absent), etc. LIEMPTY-9 spends over 40

hours a week just watching (and photographing) MHHARSH personnel, and over the years he has gottento know them, and their habits, very well. He can spot unusual or atypical behavior, and when he is asked to put a certain individual under close scrutiny, his comments can be very useful. Newcomers, no matter what their cover, will frequently gravitate to their IS colleagues in the "safety" of the MHHARSH back yard, thereby enabling us to make tentative AEKICK or AEGRIP identifications. TDYers can often be linked up with their internal escort officers. In the case of specific targets, LICALLA special coverage can sometimes give clues to personal relationships which can be exploited. During the reporting period we had special coverage on AESEASICK (to determine any changes in pattern following the AEMIDRIFF defection and following the operation against him -- and in both cases LICALLA did report some change in pattern); 201-305870 (for much the same reason, although here the evidence was not as clear); AEPOLYP (to gather information on his patterns and his associations); AETAKEOFF (for the same reason); and 201-838166 (to find out if he did, in fact work in the "restricted area" and who his associates were, a requirement which was quickly satisfied). Also, LICALLA has been asked to report on the arrival and activities of TDYers such as the AEKICK security inspectors (he is not, of course, told that "security inspectors" are expected -- he is told of the expected arrival of visitors, and he can spot a visitor or newcomer immediately), the possible arrival of 201-314616 and, currently, to attempt to identify, at least by association, the person who went out to meet an LNREAD agent (subject of MEXICO CITY 2741, 17 March 1970). The value of LICALLA to the REDTOP program in Mexico City can scarcely be overstated.

LILYRIC

8. There have been no changes during the reporting period of the operation of the LILYRIC basehouse activity, except that Bruce H. FERNALD took over the handling of the LILYRIC personnel from GERENDE in early December. FERNALD normally meets only LIEMPTY-13, at pre-arranged sites and times (also well away from the MHHARSH area), once a week for pick-up of the films and reports. He occasionally meets LIEMPTY-14 (LIEMPTY-13's wife) when LIEMPTY-13 may be out of town. The LILYRIC coverage is a family enterprise with the work equally divided among LIEMPTY-13, -14, -26, and -27, who split up the hours of duty so that there is uninterrupted coverage Mondays through Fridays from 0800 to 1800 hours, and 0800 to 1500 hours Saturdays. (Extra-hour or week-end coverage may be requested as necessary, and the LILYRIC personnel responded to the Station request for such extra coverage during the AEMIDRIFF and AESEASICK cases.) The family has continued to provide reports during the reporting period on all activity centered on the front entrance of the MHHARSH Embassy. Such coverage included, as in the past, daily logs on the comings and goings of MHHARSH officials, up-to-date recording of MHHARSH license numbers, special activities and visitors (particularly Americans, of whom five were spotted and reported on during the reporting period), and some 3,500 photographs. As an example of the value of LILYRIC coverage, within one week of the change of license plates at the MHHARSH Embassy (a biannual change affecting all of Mexico, with new numbers bearing no relation to the old), LILYRIC had provided a complete list of the new numbers (along with the cars to which the plates are assigned). Among other things, this enabled the Station to identify AESEASICK's companions during his last few days in Mexico. Without LILYRIC, identification of the new license plates would have taken months and would have handicapped our operations. LILYRIC has also provided special coverage of the visit of a Latin American CP representative, and is currently watching for the two AEKICK security technicians, 201-314616, and the man who went to meet the LNREAD agent. Also, LILYRIC has reported on visits of Mexican students and the identity of the MHHARSH representatives who deal with them or hand out literature to them. In short, LILYRIC's services, even though the

MHHARSHers undoubtedly assume we have a LILYRIC-like facility, and act accordingly, are another vital element of the REDTOP program.

LIEMPTY-4

9. LIEMPTY-4 has continued to develop and to print all of the LICALLA and LILYRIC photographs. He has been met regularly by Bruce H. FERNALD (taking over for GERENDE) since 26 November 1969. The first few meetings at that time (late November and early December) were arranged by FERNALD by telephone to LIEMPTY-4 and primarily concerned LIEMPTY-4's reports on GERENDE's family problems and related security arrangements. Since mid-December, LIEMPTY-4 resumed a regular schedule (usually weekly) of meetings at pre-arranged sites and times. LIEMPTY-4 has been given a special extension in the Station to which he may call as "Dr. Carlos" to leave a message for "Victor" (FERNALD). FERNALD can change meeting plans by directly calling LIEMPTY-4. The only personal problem directly involving LIEMPTY-4 was surgery on his knee which required his wearing a full cast on his leg for over six weeks. During this period when LIEMPTY-4 has been unable to drive, FERNALD has been meeting LIEMPTY-4, for the exchange of LICALLA/LILYRIC films and prints, at LIEMPTY-4's office, under a suitable pretext and with appropriate security precautions. LIEMPTY-4's services are invaluable since the Station could not, on a continuing basis, process the LIEMPTY material in its own photo lab.

SECURITY

10. Other than the security problems inherent in GERENDE's personal problems, there have been no security problems during the reporting period.

FUTURE PLANS

11. As for GERENDE, the Station has reached the conclusion that he must be terminated. This is not an easy decision to make, nor will it be easy to confront GERENDE with this decision. He has, after all, devoted 15 years of his life to RVROCK. However, as noted above, in spite of his talents the Station has been able to get along without his services. Furthermore, the constant security risk posed by his wife is, frankly, an unacceptable risk. To try to molify her by promising her a portion of his salary is probably unworkable in realistic terms, particularly since her attitude has progressively hardened. The Station, therefore, intends to terminate GERENDE prior to the end of FY 1970. GERENDE's contract calls for a termination bonus of one month's salary per full year. This would come to $8,750 (USD). For various reasons, including the need to preserve the security of the operation by ensuring that the termination is amicable, it will probably be necessary, as stated in paragraph 6, to give GERENDE about $10,000 (USD). Furthermore, it will be necessary to inform LIEMPTY-19 of the termination, and, to keep her from revealing what she knows, she will undoubtedly have to be given some money herself. The Station does not believe that it would be equitable or sound from a security point of view to use the money which GERENDE himself has earned for this purpose. Therefore, while the figure will remain negotiable, the Station believes that the sum of $2,500 (USD) would be a reasonable amount. Total obligations for FY 1970 in the LIEMPTY Project are currently estimated at slightly less than $33,000 (USD). The Project has been approved in the amount of $38,970 (USD) leaving unobligated approximately $6,000 (USD). It is therefore requested that the LIEMPTY Project be amended for FY 1970 to provide an additional $8,000 (USD) to be used in the GERENDE termination. Funds will be available at the Station.

14-00000

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-38700

12. Regarding the project renewal for FY 1971, as far as LICALLA, LILYRIC, and LIEMPTY-4 are concerned, no changes in procedure are planned. The product is useful, it is as timely as present circumstances permit, and the personnel involved are doing their jobs well. The only change foreseen is an increase in salary for some, if not all, of these agents. The most recent salary increases took effect in May 1968. LIEMPTY-4 has not had an increase since January 1967, and LIEMPTY-13 since January 1964. Increase in cost of living alone would be sufficient justification to raise salaries, but in the case of these agents their consistently excellent work deserves to be rewarded. These salary increases will probably range between 10 and 20 percent.

13. As for other project expenses, LIEMPTY-10 and LIEMPTY-11 will no longer be funded under LIEMPTY, but have been transferred to LIEMBRACE effective 1 July 1970. Real estate expenses should remain fairly constant, with perhaps a slight allowance for inflation. The rent on GERENDE's dark room (MEXI 137) will no longer be paid with his termination. MV-2823 will be sold or otherwise disposed of and should not be included in the project for FY 1971. Equipment and operational expenses should remain constant.

Vincent P. [signature]
for/John A. PROBERT

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50-6-74/3

SECRET

15 March 1970

TO : Case Officer and Chief of Station

FROM : GERENDE

SUBJECT: GERENDE Background and Status Report of Present Marital Conflict

1. While this is not intended to be a full exposition of my personal and private life over recent years, I would like to make known some of the factors that have, from my point of view, led up to the present situation.

2. I realize that the interests of the organization and the interest of the individuals who may have opportunity to come in contact with my case dictate as little personal involvement as possible in the lives of agents. Indeed, the requirements of security, compartmentation and efficiency prescribe the modus operandi and, to a great extent the modus vivendi, of agency personnel not only in the sense of earning a living but also in manner of living. Ideally, the less said about an agent's private life, the better, but, as the years go by, changes may occur which go unreported or unnoticed and which may bring about unexpected events and repercussions. When a person has been working for the Station, as I have, for fifteen years with little or no personnel handling problems, no security flaps, no obvious problems on the job, and something comes up like the abrupt separation of my wife (LIEMPTY-19) and me with the personal and potential security risks it has entailed, I feel that some explanation is necessary. Should it be in order, I would like this explanation to reach not only my present case officer and Chief of Station but also the former Chief and officers with whom I have had the privilege to work over the years.

3. I would like to give thanks, in advance, for the patience and understanding that have been shown me thus far. Whatever the final outcome, I know that people have been bending over backward to be helpful and patient in hopes of an early solution to the conflict.

4. Back in September 1959, shortly after our wedding in late 1958, my wife and baby girl, were moved, by the agency, into a

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spacious, carpeted, furnished apartment near the DIZTAG Embassy, which served intermittently as a listening post-basehouse for the agency. At the time, LIEMPTY-19 was working as the manager of the bookstore at the University of the Americas and, at the same time, studying for a B.A. in philosophy. Those were happy times. We received a two-month leave, went to Europe, the Rome Olympics and visited LIEMPTY-19's family in Holland. Back in Mexico, when the base was in operation I stayed home a lot (one of the requirements), minded the dial and tape recorders and the baby -- an unfortunate reversal of marital roles. After exactly five years the basehouse was closed down and we lost rent, LIEMPTY-19's salary and my mother's salary which she had been receiving as part-time basehouse keeper. My mother and youngest sister gave considerable help in taking care of the baby while LIEMPTY-19 worked and when we went to Europe and left the baby with them. This was during the first three years at the base until we had our second child, Christopher.

5. We moved to a small apartment in Lomas and, to supplement the loss of salary and rent allowance, the Station began paying 1,000 pesos a month for the use of a dark room I had built on the roof of the building. We had our third child, Madeleine, unplanned, two months after settling in the two-bedroom apartment. The apartment need not have been so small but we had chosen it for its location and style and because it was to be a temporary stop until we could find something better. We missed going to the Olympics in Tokyo which we had planned to do (1964) and instead began negotiating to buy a home building site at Rio Escondido but when the deal fell through, we decided to go on leave to Europe again, this time with the two older children, leaving the baby with my sister. We visited with LIEMPTY-19's parents in Holland (they had moved back to Holland after having lived in Washington, D.C., since 1943) and the two children stayed with them while LIEMPTY-19 and I made side trips. Traveling is LIEMPTY-19's greatest love in life. Upon our return to Mexico (I came back two weeks earlier), LIEMPTY-19 was so depressed at leaving Europe and being back in Mexico she was emotionally and physically inaccessible for about six weeks. She had not fully adjusted to living in Mexico or to settling down and becoming a housewife. Our cramped quarters, way of living, lack of money, my job, my irregular hours and habits, my Friday night poker games, the three children, all these got her down.

6. In the fall of 1965 after our return from Europe I began teaching English to beginners in the adult education program at the American School in the evenings. This started as a two-hour a week moonlighting experiment but by early 1966, through student contacts made at the school, I had branched out to teaching at the offices of Carnation Milk Co., Singer Sewing Machine, and Richardson-Merrell Drug Co. for a total of about twenty hours per week. LIEMPTY-19, meantime, was working part-time at the Hamilton School in Lomas where the two older children were attending. The family finances improved and I was able to convince LIEMPTY-19 that

the best thing to do was to invest in land and build a house big enough for our growing family which by now had a fourth child on the way. With three friends as partners, I entered on a land-buying deal which turned out to be complicated as we bought the land in the form of company stock. The company was liquidated and the assets were distributed, as land, to the four partners. I paid for our share with the proceeds from the sale of a small lot I had been paying for since 1955. LIEMPTY-19 was at first reluctant to tie us down with a house but when we finally got the papers and land deed straightened out, she threw herself wholeheartedly into the project and the building which began in August 1967. While LIEMPTY-19 supervised the construction, I worked during September and October almost full-time for the Olympic Organizing Committee and the group from Czechoslovakia which came to train in the pre-Olympics. My father-in-law deposited money in Mexico to help us with the major part of the financing of the house. We used $286,500 pesos of his money and about $60,000 that LIEMPTY-19 and I had saved and got the house finished enough to move in in March 1968. We were very short on furniture and shortly after moving in bought three bedroom sets, an automatic washer and even a piano. Naturally, cash was scarce, dirt was plentiful. The yard was a pile of rubble, the carpentry work had just begun, there were no closets, the house was unpainted. Thereafter, we did things on the house as the money came in: continued with carpentry, finished the driveway, put in grass, built a fence and front gate.

7. Six months after moving in came time for the Olympics and I worked, unofficially this time, with the water polo team from Australia. LIEMPTY-19 worked for the month with the Dutch and Belgian radio and TV group. LIEMPTY-19 was, once again, caught up in the atmosphere of being among Europeans and doing something exciting and out of the routine of home and children. She fell in love with the Australians as well, and for several months all she could talk of was that we should move to Australia. I gave it some thought but decided that we had neither the money to invest nor the youth and technical training to make it as pioneers "down under" and, on the other hand, family, friends, a house, and job seniority here in Mexico.

8. Toward the end of 1968, LIEMPTY-19 decided it was time for me to move out of the master bedroom as she could no longer face that aspect of our married life. For several months we tried this but it did not work out for me. One night in March 1969 after we returned home from a party, she asked me to help her undress and when she, once again, refused to have anything to do with me, I got rough with her, prompting a decision on her part, which she had already been pondering, to visit her parents in Holland as soon as possible. Her father provided the plane fare and she left in April for the United States to visit her brother and sister and Holland, for what she said would be a five week trip. She stayed away ten weeks. The four children remained with me, the maid, and

my mother who came to help three days a week. Upon her return, LIEMPTY-19 bore an air of resignation rather than of enthusiasm and, again, as on her previous return from Europe, was physically down and mentally unhappy. When asked about her thoughts on Australia she said that if she had wanted to live in Australia, she should have married an Australian. The separation had not improved our intimate relationship.

9. In August I was to take five weeks' leave and go with the children to Astro-World in Houston and visit my mother's family in South Carolina. When I suggested postponing making monthly payments on her father's loan until December when the Christmas Bonus would cover the back debt, in order to make the trip, she was adamant, saying that if I did not have the cash for going, I should not take leave. I borrowed from my life insurance policy and left with the three youngest children. Adriana had a touch of hepatitis and joined us three weeks later. After spending the month in South Carolina, we returned to Mexico to find that LIEMPTY-19 had very much enjoyed her solitude. We had already talked about divorce before her trip to Holland in the spring. I had told her that I would not consider parting with the children and she said she would consider leaving them to me if I would settle the debt to her father as well as give her a substantial share of what she considered was her part of the house. The title of the house was in my name and had been since the buying of the land. LIEMPTY-19 said I could mortgage or sell the house but that the money was what she was mainly interested in. I told her that the sale of the house was not financially wise in its unfinished state and that the house and land are very likely to appreciate sharply over the next three or four years considering the housing developments going on in the area. Added to this was the sentimental attachment to the house and area. A mortgage, on the other hand, for the amount of her father's loan plus what she was asking, was something I could not afford considering the more than 12 percent cost of such a mortgage in Mexico.

10. At the same time, during September 1969, that we were going through the above-mentioned discussions, LIEMPTY-19 was taking a course at Japan Airlines to become a tour guide and group leader for trips to the Orient as early as November 1969 and, certainly, to Expo '70 in Osaka during the spring and summer of 1970. She received a diploma to that effect. I told her that if she wanted out of the marriage and wanted to be free to travel it was all right by me but that the children would stay with me and I would continue to repay her father at the agreed rate ($2500 per month and 5 percent per year). She then sought legal advice from an old friend, Dutch lawyer Guillermo Floris Margadant who, in turn, steered her to a young woman lawyer, Dra. Berta Martinez, who must have advised LIEMPTY-19 that under the local legal system the only way to try for a sizable cash settlement and considerable support was to hang on to the children because LIEMPTY-19 made a radical "about-face" in her attitude concerning them and she now said that she could not

"abandon" the children. I refused to visit her lawyer with her saying I was not interested in getting divorced, whereas she said that her mind was made up and that we would have to split up.

11. Things came to a head on the night of 12 November when I got home around 9 PM and she suggested we have a drink and talk things over. I mixed some martinis and she began laying down the terms under which she thought we should get divorced, i.e. I should move out of the house, mortgage to pay back her father's money, grant her custody of the children and support of 2,000 pesos per month per child ($8,000). I said I would not get divorced under those conditions and we discussed and argued in the kitchen for about three hours, killing a bottle of gin in the process. We went upstairs and when I tried to make up to her she tried to rouse the children, unsuccessfully, and then tried to leave the house which I would not let her do. She got hysterical, phoned a neighbor, Uta de la Hoz, then she went into the front yard and awakened the next door neighbors, Walter Hurley and his wife, and asked to go to their house. A few minutes later, Uta and her husband Guillermo came and LIEMPTY-19 went with them to their home two blocks away. About a half-hour later I walked up to Uta's to ask LIEMPTY-19 to come home but was told that she was busy phoning her lawyer and would not return.

12. The following morning I took the children to school as usual and my sister Marcia (LIEMPTY-4's wife) picked them up and took them to her house where I joined them for lunch. LIEMPTY-19 came by in the late afternoon while my sister was out, picked up the children saying she was taking them home, failed to do so, then disappeared and was not to be found.

13. It was the subsequent action taken by LIEMPTY-19 in dropping her lawyers and taking on the services of Bernabe Jurado, the most notorious penal attorney in Mexico, that led to the potential security hazards that ensued.

50-6-74/3

9 March 1970

TO : Case Officer

FROM : GERENDE

SUBJECT: GERENDE Status Report

The present situation of the marital conflict between GERENDE and his wife (LIEMPTY-19) is as follows:

1. GERENDE is living at his mother's apartment at 99 Carlos B. Zetina Street, Apartment 9. He has rented a three-bedroom apartment at Tornel 3 corner with Pedro Antonio de los Santos where he has stored the household effects and furniture removed from his former address at Ladera 39, Lomas de Bezares.

2. The house at Ladera 39 is rented to an executive of Chrysler Corporation International, Dr. Leon MARKIEWICZ, his wife, and fifteen-year old daughter, all of Argentine nationality. The monthly rent is 6,700 pesos M/N and the contract is for two years, beginning 1 February 1970.

3. LIEMPTY-19 and the four children are apparently still living at the residence of the Netherlands' Ambassador, Baron Schelto Van Heemstra at Peña 360, Jardines del Pedregal. It seems fairly certain they are at that address from things that the two older children, Adriana and Chris, have said to GERENDE on the last two occasions he has seen them. They have been there since 5 December 1969. LIEMPTY-19 has denied that she has a fixed address and says that she is staying with "friends."

4. LIEMPTY-19 is continuing to use the services of Bernabe Juardo as her lawyer and, through him, is pressing for even more advantageous terms in the divorce than she had asked in November. Please see the attached copy and translation of the latest proposal made by Juardo on 4 March 1970.

5. The charges and accusations made by LIEMPTY-19 against GERENDE are still not completely resolved and are as follows:

a. Insults, threats and attempted homicide -- this charge rests at the 5° Juzgado Penal, 2ª Corte Penal located at

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Lecumberri. The judge is CRUZ Mellado. These charges have not been pressed since they were originally made on 13 November 1969 by LIEMPTY-19. The ruling on these charges, should the case come to trial, must be made by three judges of the 2ª Corte Penal composed of the 4th, 5th, and 6th Juzgados Penales. The judge of the 6° Juzgado is Lic. QUIRAZCO, an alumnus of GERENDE's lawyer, Jorge Mario MAGALLON. Together they have, on two occasions, been to speak to Judge CRUZ Mellado who agreed not to issue an arrest warrant and who has, finally, called for a hearing on 16 March (subsequently postponed) at 10:00. MAGALLON has given GERENDE assurances that the charges are likely to be dismissed.

b. Fraud -- this charge was made by LIEMPTY-19 and her lawyer on 11 December 1969, the day after GERENDE left the Villa Obregon jail after having spent a week there for disobeying a court order. (The court order had consisted of an unfounded request to have GERENDE expelled from his house and to have LIEMPTY-19 reinstated there with her father, as the temporary custodian of the children. GERENDE refused them admission under those terms, hence disobeying the Villa Obregon judge's order, so the judge's secretary arbitrarily ordered, on the spot, a 10-day detention. Subsequently, the judge, LUCAS del ARENAL, was forced to lift the detention after seven days and dismiss himself from the case and divorce proceedings as incompetent. The judge has had to face charges of collusion from and with the lawyers of both parties, i.e. Magallon and Jurado. The charge of fraud rests at Mesa 31ª of the Procuraduria del Distrito Federal. The Public Ministry Agent in charge of that table is Jorge GUTIERREZ Cruz. LIEMPTY-19 claims that the money lent to her and GERENDE for building the house at Ladera #39 was actually loaned to buy the house and that GERENDE, knowing they were married under the separate property marriage clause had wrongfully placed the property in his name only, thereby committing fraud. Actually, the land was bought by GERENDE before Christmas 1965 in a complicated transaction involving three other partners: Robert Bancroft WHITEHOUSE, John (Dick) RENNA, and James Walter HURLEY, and each of the partners placed the property in their respective names with the complete knowledge of their spouses. Later the land was subdivided and after nineteen months the deeds were issued. LIEMPTY-19 supervised and prodded the notary who made the transaction and she was perfectly aware that the property was in GERENDE's name. In August 1967 when construction of the house began, LIEMPTY-19's father's money was used which he had deposited in Mexico for the purpose. Since January 1969, according to the terms of the loan agreement, GERENDE has been paying it off and has receipts from LIEMPTY-19 to show for it.

GERENDE has presented both the land deed ("escritura") pre-dating the construction of the house and the receipts

showing up to date payment of the loan at the "Mesa 31a." No further action has been taken by LIEMPTY-19 or her lawyer on this matter but the charge has not finally been settled and is still pending. The charge is, of course, unfounded and is awaiting the proper "lubrication" in order to be filed away.

c. Neglect -- this charge was made by LIEMPTY-19 in December 1969 at the 7° Juzgado Mixto de Paz claiming that GERENDE had abandoned LIEMPTY-19 and the children to their fate and that they were utterly destitute. GERENDE was not notified of this charge and on 9 February after attending a hearing at the Villa Obregon Juzgado (see below), once out on the sidewalk, Judicial police agents detained GERENDE, took him to the Procuraduria and from there to Lecumberri. This process involved being finger-printed and mugged. The following day GERENDE was out on a 2,000 pesos bond and three days later, 13 February, the justice of the peace (a woman) formally set GERENDE free for lack of evidence. GERENDE and Magallon went back on 5 March to pick up the bond money and see if Jurado had appealed but he had not and, apparently, that matter is closed.

6. On 14 November 1969, one day after LIEMPTY-19 disappeared from home taking the children with her, GERENDE brought charges against her for minor lesions and showed medical proof thereof. The hearing of 9 February after which GERENDE was detained, was called by Villa Obregon judge Bonfilio SEGURA. GERENDE reiterated the charge, LIEMPTY-19 denied it, the judge ruled against her, ordered her to prison but since the injuries were minor, it does not require privation of liberty and she must only go and sign-in once a week.

7. LIEMPTY-19 is at present teaching school at the Edron Academy on Caleri Street in San Angel Inn. The two older children are going to school there. During the latter part of November, all December and half of January, the children did not attend any school. On three occasions GERENDE has been to the school at 13:30 to try to speak to LIEMPTY-19 and see the children. LIEMPTY-19 has objected to this and the meetings have been short and fruitless except for GERENDE learning that they are still staying at the Dutch Ambassador's. GERENDE's last visit there was on 3 March (Tuesday).

8. After the Villa Obregon judge dismissed himself from the divorce proceedings, according to standard procedure, the case went to Coyoacan and Xochimilco respectively where the judges, in turn, excused themselves from the case and it has finally come to reside at the 1st Juzgado Civil in the D.F. The judge is Olda CORREA (woman) and has the reputation of being tough and pretty straight. Since LIEMPTY-19 has not given an address where divorce suit papers can be served her, the suit has not yet been initiated on GERENDE's part. LIEMPTY-19, on the other hand, has not had

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SECRET

GERENDE served with papers though his current address is known, apparently because she is still seeking a voluntary divorce along the lines and terms which are stated in the accompanying set of proposals. GERENDE cannot begin to accept these proposals in their present form as they are patently unfair and hardly a point to beginning bargaining from.

SECRET

50-6-94/3

SEC...

8 March 1970

The following proposals were made to GERENDE on 4 March 1970 (Monday) by LIEMPTY-19's lawyer, Bernabe Jurado, through a mutual friend, Licenciado Carlos Heyn, to wit:

TERMS under which the problem of [LIEMPTY-19] and [Raymond H. GERENDE] could be solved.

1. The right (patria potestad) to the minors would be kept by both the mother and father.

2. The guardianship and custody of the four children is entrusted to the mother. The father may visit the children once a week between 10:00 and 19:00 hours; he may take them out once a month and will return them to the mother's address before 19:00.

3. The father is obliged to pay the mother the sum of 10,000 pesos MN, in advance, per month beginning with the month of November 1969, since which time he has not given the mother or children any money at all.

4. This agreement will be raised to the level of a formal public writ the day it is signed by both parties.

5. Both spouses agree to divorce voluntarily under the terms of this agreement.

6. Upon termination of the divorce procedure, by mutual consent, both parties will desist from the civil and penal actions that either might have initiated against the other.

7. Both spouses are obliged to attend punctually the meetings that the legal procedure establishes as well as grant the guarantees demanded by the Public Ministry and acting Judge for the approval of this agreement and granting of the divorce.

8. In order that the father may visit his children and take them out, the mother is obliged to give notice of every change of address.

9. With the exception of the one day a week that the father may visit the children and the one day a month when he may take

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them out, the father contracts the obligation of absolutely abstaining from calling on the mother's address, so that she may carry on her life freely without neglecting her children.

10. While the voluntary divorce is being processed, the mother and children will live at ______________________ and, as above stated, to satisfy their needs, the father will make the first monthly payment of $10,000.

11. Neither the father nor the mother may take the children out of Mexican territory without the authorization of the other.

12. Since GERENDE owes the parents of LIEMPTY-19 the sum of $286,500 plus agreed-on interest, minus whatever payments he has been able to make, the said GERENDE is obliged to mortgage the house at 39 Ladera, Lomas de Bezares in this city, precisely during the course of the divorce procedure by mutual consent as established in the antecedent clauses and before the divorce is granted so that LIEMPTY-19's parents are reimbursed on their loan or on the outstanding unpaid balance.

13. The expenses of making this agreement a formal writ as well as the fees of B. Juardo will be paid by GERENDE but these will be fixed in an equitable manner by Carlos Heyn to whose decision both will submit.

14. In case of failure to comply with any of the clauses of this agreement at any time or for just one time, either by GERENDE or LIEMPTY-19, both agree to expressly establish the following sanctions and terms:

15. If GERENDE is the one who violates any clause just one time, he will forfeit the house at Ladera 39 to the mother and children, LIEMPTY-19, Adriana Juliette, Christopher Ramon, Maria Madoleine, and Laurence Fernando, and said property will belong to the above mentioned persons.

16. If LIEMPTY-19 is the one who violates the terms of this agreement for just one itme, she will lose the custody of children in favor of the father or whatever person he designates for the guardianship and custody of the minors.

17. Since LIEMPTY-19 has to establish an appropriate place to live, in the company of her four children, both parties agree that the household effects will be turned over by GERENDE, to LIEMPTY-19 for that purpose, as well as the automobile she has been using throughout the marriage.

Mexico, D.F., 4 March 1970

NOTE: GERENDE's lawyer advised him not to make a counter proposal. His comments on the above terms are as follows (keyed to above):

1. OK

2. Visitation rights everyday at any time; he may take them out overnight once per week.

3. Will pay 5000 pesos per month, to begin with date of settlement (i.e. not retroactive)

4. OK

5. OK, assuming that agreement is reached on terms

6. OK

7. OK

8. OK

9. Revise to agree with GERENDE's version of paragraph 2

10. OK, except payment is to be 5000 pesos.

11. OK

12. No. GERENDE prefers to continue paying off under the terms of the loan agreement with LIEMPTY-19's father. Later, if a mortgage can be obtained at an acceptable interest, GERENDE might consider this.

13. No. GERENDE and LIEMPTY-19 will each pay their own lawyers.

14. See below

15. Not acceptable

16. Not acceptable (in context of paragraphs 14, 15, and 16)

17. She may receive household effects, but not the car.

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief of Station, Mexico City

INFO:

FROM: Chief, Western Hemisphere Division

SUBJECT: REDLEG LIEMPTY/LNEASE Double Agent Cases

ACTION REQUIRED - REFERENCES

REFERENCES: A. Director 016547
B. MEXICO CITY 2741

1. Per Reference A, LNEASE case Bruce DAKAR (LNEASE Case No. 127-41) was passed to LNERGO who plans to use DAKAR within WOLADY. No additional details are available.

2. Headquarters appreciates Station's support on the case of Frank CAMDEN and the LIENTRAP details forwarded in Reference B. We will keep the Station apprised of any additional developments in CAMDEN's case.

Milton C. SANTRELLA

MICROFILMED
APR 3 1970
DOC. MICRO. SER.

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201-862965	HMMW-17789	24 MAR 1970 19 March 1970
201-814176	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

ORIGINATING

OFFICE	OFFICER	TYPIST	EXT.
WH/1	LMOsborne	lmr	4167

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1 - SB/X/WH
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1 - CI/OPS

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COORDINATING

OFFICE SYMBOL	DATE	OFFICER'S NAME
C/SB/X/WH	23-3-70	D. Davis
C/CI/OPS/WH		
C/SB/CI/OPS	23 March 70	[illegible]

RELEASING

OFFICE SYMBOL	DATE	OFFICER'S SIGNATURE
C/WH/1	19 Mar 70	John C. Murray

FORM 53 USE PREVIOUS EDITION.

DISPATCH

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INFO: FILE, VR R/AN. SR8.

ACTION NO. 986

S E C R E T 192359Z MAR 70 CITE MEXICO CITY (MEXI 2766)

DIRECTOR

20 MAR 70 IN 046440

LIEMPTY

REF: DIRECTOR 018246

1. POUCHING LIEMPTY REPORT 26 MARCH. REGRET DELAY WHICH DUE PRESS OTHER ACTIVITIES REDTOP FIELD.

2. FILE: 50-6-74/3. GP-1

S E C R E T

AN	OB
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EMPTY

50-6-74/3
20 Mar 70

14-00000

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ORIG: Bob Hazen
UNIT: WH/1
EXT: 4167/1973
DATE: 18 March 1970

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CABLE SECRETARIAT DISSEMINATION [ ] INDEX [ ] NO INDEX [ ] RETURN TO ______ BRANCH [ ] FILE RID

BY ______ PER ______ # [ ] FILE IN CS FILE NO. ______

CONF: WH8 INFO FILE, VR, RI/AN

(classification) (date and time filed) (elite) (reference number) (pica)

SECRET 19 00 47Z MAR 70 CITE DIRECTOR 018245

TO MEXICO CITY

LIEMPTY

REF: DIR 014964*

1. PLEASE ADVISE DATE YOU POUCHING LIEMPTY REPORT.

2. FILE: 50-6-74/3.

END OF MESSAGE

*WH COMMENT: Ref requests latest LIEMPTY Progress Report.

LIEMPTY

WILLIAM V. BROE
CHIEF, WHD

JOHN C. MURRAY
CHIEF, WH/1

RELEASING OFFICER

COORDINATING OFFICERS

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CABLE SECRETARIAT DISSEMINATION

BY ______ PER ______ #

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CONF: WH8 INFO FILE, VR, RI/AN

(classification) (date and time filed) (elite) (reference number) (pica)

SECRET 19 00 47z MAR 70 CITE DIRECTOR 018246

TO MEXICO CITY

LIEMPTY

REF: DIR 014964*

1. PLEASE ADVISE DATE YOU POUCHING LIEMPTY REPORT.

2. FILE: 50-6-74/3.

END OF MESSAGE

*WH COMMENT: Ref request latest LIEMPTY Progress Report.

WILLIAM V. BROE
CHIEF, WHD

JOHN C. MURRAY
CHIEF, WH/1

RELEASING OFFICER

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BY ___ PER ___ #

INDEX / NO INDEX / RETURN TO ___ BRANCH / FILE RID
FILE IN CS FILE NO.

CONF: WH/8 | INFO | FILE, VR, RI/AN

(classification) (date and time filed) (elite) (reference number) (pica)

SECRET

19 00 47Z MAR 70

CITE DIRECTOR 014246

TO MEXICO CITY

LIEMPTY

REF: DIR 014964*

1. PLEASE ADVISE DATE YOU POUCHING LIEMPTY REPORT.

2. FILE: 50-6-74/3.

END OF MESSAGE

*WH COMMENT: Ref request latest LIEMPTY Progress Report.

WILLIAM V. BROE
CHIEF, WHD

JOHN C. MURRAY
CHIEF, WH/1

RELEASING OFFICER

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UNIT: WH/1
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BY ______ PER ______ #

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(classification) (date and time filed) (elite) (reference number) (pica)

S E C R E T 19 00 47Z MAR 70 CITE DIRECTOR 018246

TO MEXICO CITY

LIEMPTY

REF: DIR 014964*

1. PLEASE ADVISE DATE YOU POUCHING LIEMPTY REPORT.

2. FILE: 50-6-74/3.

END OF MESSAGE

*WH COMMENT: Ref request latest LIEMPTY Progress Report.

WILLIAM V. BROE
CHIEF, WHD

JOHN C. MURRAY
CHIEF, WH/1
19 March 70

50-6-74/3

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6 March 1970

MEMORANDUM FOR: SB/RMO

VIA : SB/X/WH

SUBJECT : Evaluation of Product Supplied to SB/Division Through LIEMPTY and LIENVOY Operations

1. It is requested that an evaluation of the product supplied by the LIEMPTY photographic surveillance operation targeted against the Soviet Embassy, and the LIENVOY joint telephone tap operations targeted against the Soviet, Polish, and Czech Embassies be submitted to this office. These evaluations will be presented with the current Projects LIEMPTY and LIENVOY renewals; they are also desired for use in operational discussions with Mexico City Station.

2. As a guide, whenever possible, these evaluations should relate through the use of overall statistics and/or specific instances in which the product has been deemed useful by the SB/Division.

John C. Murray
Chief, WH/1

Distribution:
Orig. & 1 - SB/RMO
1 - SB/X/WH
1 - WH/1/Chrono
1 - LIEMPTY Project
1 - LIENVOY Project

14-00000

ORIG: W. R. Hazen
UNIT: WH/1
EXT: 4167/1973
DATE: 6 March 1970

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CONF: WH 8 INFO FILE, VR, CI/AN, CI/OPS, CI/IC 2, CI/OA

(classification) (date and time filed) (elite) (reference number) (pic)

SECRET 06 19 10Z MAR 70 CITE DIRECTOR 014961

TO MEXICO CITY

LIFEAT LIEMPTY

REF: A. HMMA-37892
B. HMMA-38119

1. PLEASE SUBMIT LIFEAT AND LIEMPTY PROGRESS REPORTS SOONEST.

2. FILE: 50-6-32/3, 50-6-74/3.

END OF MESSAGE

WH COMMENT: Ref A reports LIFEAT progress 1 June through 31 August 1969. Ref B reports LIEMPTY progress 1 January through 31 October 1969.

LIEMPTY

JOHN R. HORTON
ACTING CHIEF, WHD

JOHN C. MURRAY
CHIEF, WH/1

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

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EXTRACT AND CROSS REFERENCE

DOCUMENT IDENTIFICATION

DOC. SYMBOL & NO.	DATE OF DOC.	FILE CLASSIFICATION OF RECORD COPY			
HMMA-38274	23 December 1969	50	120	2	

DOC. SUBJECT

SEMI-ANNUAL PROGRESS REPORT FOR SB OPERATIONAL PROGRAM 1 JUN TO 30 NOV

SOURCE INFORMATION

SOURCE CRYPTONYM	DATE OF INFO.	EVALUATION

TEXT OF EXTRACT (Also cite doc. distribution, Dissem. No., etc. - if applicable)

1a. LIEMPTY: No change.

Indicate The Subject, Project Or 201 File No. In Which This Form Is To Be Filed.	50	6	74	3
SUBJECT OF 201 (Last, First, Middle) LIEMPTY OPERATIONS	201-			

FORM 8-68 867 OBSOLETE PREVIOUS EDITIONS

SECRET

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(7-46)

14-00000

DISPATCH	CLASSIFICATION: SECRET	PROCESSING ACTION	
			MARKED FOR INDEXING
TO: Chief, WH Division		XX	NO INDEXING REQUIRED
INFO: Chief, SB Division			ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM: Chief of Station, Mexico City			MICROFILM

SUBJECT: LIEMPTY Progress Report, 1 January - 31 October 1969

ACTION REQUIRED - REFERENCES

SUMMARY

1. There has been no change in the operating procedures of the two LIEMPTY base houses, LICALLA and LILYRIC, or in the use made of the product. Raymond H. GERENDE continues as Project principal agent, and renewed attempts have been made to broaden his activities, to include additional agent handling and the following up of ops leads. After a slow start, some progress has been made, but GERENDE is now involved in divorce proceedings with his wife. This situation is steadily worsening and represents a potential security risk to LIEMPTY and other Station operations.

GERENDE

2. As Headquarters is aware, the Station has for some time tried to get additional mileage out of GERENDE. The Station has long recognized GERENDE's not inconsiderable talents: He is personable, fluent in two languages (to the point where he can pass either as a Mexican or an American with no trouble), he has considerable experience in support activities, he has knowledge of the local scene which would be hard to duplicate, and he is completely at the Station's disposal. He has also worked for RVROCK for close to 15 years, in effect making a career of RVROCK, and the Station believes that this long period of service imposes on RVROCK an obligation to see that he is fairly treated and provided with benefits which would not otherwise be due an agent with less longevity. On the other hand, GERENDE has picked up some bad habits--he is not punctual, his written reports leave much to be desired, and worst of all, he lacks drive and ambition.

Distribution:
(2) - C/WH
1 - C/SB

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CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-38119	18 November 1969
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

3. After several largely abortive attempts to get GERENDE to follow up operational leads (and after noting, at the same time, a fine job he did in recruiting LIRICE-13), the Station decided to present GERENDE with what amounted to an ultimatum: Following a six-week leave at the home of relatives in the US, he was told that in recognition of his past services he was being given a salary increase to $7,000 US per annum (which may not seem like much until it is realized that GERENDE pays no taxes on this, and has the use of a QP car, to boot). He was also told that he would be given a number of leads to follow up (in some cases persons to whom he had natural access; in other cases leads which he would follow up under cover and in alias), as well as agents to handle (in alias). It would be up to him to take advantage of this opportunity to perform up to his level of ability; if he did so, Headquarters would be willing to work out an annuity program which would relieve his worries about eventual retirement. If he did not put out, he could expect to be terminated by the end of FY 1970. GERENDE expressed his gratitude and his willingness to put his shoulder to the wheel, and, in fact, he has done so. In October 1969 he took over the handling of LIANVIL-1 from Oliver G. SCANTLING, and the Station has started to give him leads to follow up. His performance has improved in every way--his punctuality has improved, his written reports are continually improving, and he has made the effort to devise approaches to the various leads and to start to follow up on them.

4. The Station was therefore highly encouraged, until 24 October, when GERENDE reported that his wife wanted a divorce. The problem is basically one of incompatibility of personalities, exacerbated by the fact that GERENDE's operational activities resulted in his being home more often than a man who works a normal office day. GERENDE's wife had taken a long vacation alone earlier in the year, visiting her parents, and the leave taken by GERENDE, referred to above, followed his wife's return and did not include her. Both times GERENDE had the four children. Thus the news of the divorce request did not come as a real surprise. The problem, however, is that both parties want custody of the children, and the dispute becomes daily more bitter and more violent. The station has taken the position that security of GERENDE's operations must be preserved at all costs, hoping, of course, that the divorce can be avoided. At this writing, the outcome cannot be guessed. If the bitter fight results in the surfacing of GERENDE's RVROCK employment, LILYRIC and LICALLA are faced with at least some threat of exposure. The MHHARSHers are quite aware that a LILYRIC-like facility exists; whether they suspect LICALLA is a moot question. LICALLA is in many ways more useful, and the MHHARSHers could put it out of business very easily by making their wall higher. Little could, or probably would, be done to prevent LILYRIC from functioning.

5. Other than LIANVIL-1 and the LIEMPTY assets directly handled by GERENDE (LILYRIC and LICALLA personnel and LIEMPTY-4) other Station assets whose security might be affected by GERENDE's current problems include LIENTRAP, LIRICE-13, and the PCM OP. GERENDE is also aware of the fact that some sort of operation, presumably technical, is or has been conducted from the LIMESA complex; he is aware of the existance and knows some of the members of the LIEMBRACE team (LIEMBRACE-1, -2, and -4, among the currently active), and he knows of the existance of LIENVOY and LIFEAT. His wife is LIFEAT-19 and has been a substitute transcriber as late as late 1968, and his mother was LIFEUD-19 (a former LIFEAT basehouse keeper, inactive since June 1964). GERENDE also knows SCANTLING, David M. WILSTED, and Raymond L. BARCENAS, as well as current Station officers Vincent P. RIZZUTO and Bruce H. FERNALD (the latter in alias). He has also met Andrew E. PELLEMENT, who used an alias. In his 15 years, GERENDE has worked in almost every phase of the Station's support activities, and even though in recent years he has been pretty much restricted to LIEMPTY, his knowledge of activities and assets which are still current is considerable. It is too early to judge the outcome of GERENDE's problems, but the Station is making every effort to see that security of operations is not affected by whatever decision is reached.

LICALLA

6. The LICALLA base house has continued to function as in the past. LIEMPTY-9 continues to be a conscientious recorder of events. In addition to providing about 3,500 photos during the reporting period, as well as comments on events and relationships which are noted by him, he had provided special coverage as requested on various targets of interest, such as AETAKEOFF. During GERENDE's absence on leave, LIEMPTY-9 was handled by SCANTLING.

LILYRIC

7. LIEMPTY-13, -14, -26, and -27 have continued to provide full-time coverage of the MHHARSH Embassy front entrance, providing daily logs of the comings and goings of all officers, and about 9,000 photos during the reporting period. The LILYRIC base house reported on the visits of Americans ten different times, and provided special coverage in connection with AEBURBLE, SCLEASE-2, and one other LNERGO walk-in case. LILYRIC personnel were also handled by SCANTLING during GERENDE's absence.

LIEMPTY-4

8. As in the past, LIEMPTY-4 has done the developing and printing of all LICALLA and LILYRIC photos, and most of the LIENTRAP production. LIEMPTY-4 was handled by FERNALD during GERENDE's absence.

COMMENTS

9. LIEMPTY coverage of the MHHARSH installation continues to be a useful tool in the Station's operations against the MHHARSH target. One IA in the Station spends several hours per week processing the take, keeping mug book and files up to date, checking the information in the logs against other reports when required (to determine whether or not an agent or contact entered the MHHARSH installation as claimed; or whether an AEGRIP or AEKICK officer was out of the installation at a particular time, etc.) and analyzing the LICALLA production for insight into personal relationships. Useful by-products include continual up-dating of MHHARSH license plates and observation of demonstrations outside of the Embassy and renovations within the grounds. Furthermore, in GERENDE the Station has been attempting to develop an outside asset with considerable flexibility, who has been used to make recruitments and assessments as well as handle agents. GERENDE's personal problems are placing his own career in jeopardy and pose a potential security hazard to LIEMPTY and other Station operations. This is a problem which will be dealt with and resolved in the next reporting period and prior to the next Project renewal request.

for/John A. PROBERT

50-6-74/3

DISPATCH

CLASSIFICATION: S E C R E T

PROCESSING ACTION: XXX NO INDEXING REQUIRED

TO: Chief, WH Division

INFO.: Chief, SB Division

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY Progress Report, 1 July through 31 December 1968

ACTION REQUIRED - REFERENCES: Reference: HMMA-35080, 22 July 1968

SUMMARY

1. There have been no basic changes in the operation of the project during the reporting period. Raymond H. GERENDE continues as principal agent, handling the personnel of the two base houses, LILYRIC and LICALLA, and performing other additional tasks. On 27 December 1968, consistent with our effort to get as much of the support activity as possible handled by outside officers, direct agent-handling responsibility for GERENDE and the LIEMPTY project was turned over to Bruce H. FERNALD. Vincent P. RIZZUTO remains as alternate and as FERNALD's inside contact.

GERENDE

2. Until the introduction of FERNALD, there was no change in the meeting arrangements with GERENDE. Meetings were held on an average of three times per week until October, when LIEMPTY-19 (GERENDE's wife) was relieved of the responsibility of transcribing the Spanish-language portions of LIENVOY coverage of the BEDOX installation. Thereafter meetings averaged twice per week, the main business being the transfer of LIEMPTY base house material and discussion of base house business.

Distribution:
2 - C/WH
2 - C/SB 2cc SB/X/WH

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-36272	22 January 1969
	CLASSIFICATION: S E C R E T	HQS FILE NUMBER: 50-6-74/3

3. GERENDE's agent handling responsibilities within the LIEMPTY project remain as previously reported. He had also handled ERFAIN-3 until the latter's termination in August 1968. He developed a good relationship with ERFAIN-3, and he showed that he is quite capable, with proper case officer guidance, of providing useful service to the Station in the handling of agents beyond the support type to which he had been limited in the past. The Station intends to try to expand this role, with due regard for security and for GERENDE's limited experience. Furthermore, the Station still has every intention of using GERENDE selectively in cultivation and development of operational leads, as outlined in reference. No such leads were found for GERENDE during the reporting period (among other reasons, we have no intention of giving GERENDE a lead simply for the sake of giving him something to do), but as soon as a suitable lead is uncovered, it will be passed to GERENDE.

4. GERENDE was particularly useful during the Olympic period. While he did ~~not get a~~ job with the Olympic Committee as he had hoped, his wife was employed as a translator by the European television networks who had come to cover the games. This, plus other personal contacts, gave GERENDE a certain amount of access to Olympic facilities. Both GERENDE and his wife helped considerably in the distribution of AEEGGHEAD material, and GERENDE performed a number of miscellaneous tasks assisting the Station in various Olympic responsibilities.

5. GERENDE has also been used in support of JMROD operations, such as making mail pick-ups and delivering material and making phone calls to AMBASSCON. Following the Warsaw Pact Powers' invasion of Czechoslovakia, GERENDE was asked to cover a demonstration in front of the Soviet Embassy, and he wrote a good report which was used in Embassy briefings. Recently, GERENDE has enrolled at the University of the Americas to work for an M.A. in contemporary Mexican history. The Station will explore the possibility of his getting access to persons or information of interest on the University campus.

LICALLA

6. LIEMPTY-9's work (in the LICALLA base house) was inhibited in July due to the construction of a maid's room near his working quarters. During the reporting period, however, he took a total of 2,217 operational photos. His regular reporting and commentary continued as in the past. LIEMPTY-9 is a steady and dependable performer, and his unique vantage point remains the source of the most interesting and revealing photos as well as often very informative reporting.

LILYRIC

7. LIEMPTY-13, -14, -26, and -27 have been able to keep the LILYRIC base house manned on a regular basis from 0800 to 1800 hours weekdays and 0800 to 1500 hours on Saturdays, with other hours coverable upon request. This has proven to be a far better arrangement than depending on LIMITED for some of this coverage. In addition to the 6,763 operational photos taken during the reporting period and the daily fixed surveillance reports, LILYRIC reporting is of considerable help in compiling current vehicle and license plates lists, PCS arrivals and departures, unusual activities such as demonstrations or protests, unusual or lengthy absences of personnel, etc., all of which have obvious CI importance. It was LILYRIC photos which made it possible for LNERGO to identify the Subject of 201-841520, who had been in clandestine contact with AEGRIP officers. LILYRIC also reported on a half dozen other American (or American appearing) visitors, some of whom it was possible to identify through tracing license plates.

LIMITED

8. As reported in Ref, LIEMPTY-6 has been terminated and the LIMITED base house closed. All equipment has been turned in, and it can truthfully be said that due to the continuing quality performance of LICALLA and LILYRIC, LIMITED has not been missed at all.

PHOTO LAB

9. LIEMPTY-4 continues to process all photos made by the base houses. In addition, 101 enlargements were made during the reporting period, and 210 prints for LIENTRAP. The quality of LIEMPTY-4's work is good, and he rarely misses his routine deadlines.

Vincent P. Rizzuto
for/Willard C. CURTIS

Sr/[illegible]
S[illegible]

October 22, 1969

Contact Report
Subject: RHGerendo
Date/Place of Meet: Oct 22 at the CH at 0945 hrs.

1. Prearranged routine meet and G was late. In fact G requested that our meets be scheduled for 0940 hrs, because the traffic conditions in the area he must past coming to meets are bad and are still getting worse. He has no way of starting the trip to the meet before 0900-0905 hrs because he has an English class from 0800 - 0900 hrs.

Next Meet: Oct 24 at the Delicatessen at 0940 hrs.

2. G gave me his LILYRIC and the LICALLA contact reports with corresponding attachments. He also brought some prints.

3. G handed in an accounting for his RF.

4. Separately he handed in a contact report on his meet with Jose GONZALEZ. Returned with the report is instruction material which FELLEMENT prepared for G. We discussed briefly the instruction which was selfexplanatory.

5. I was obliged to put some pressure on concerning the WUITENAU report which he did not bring as he promised. In fact he has done some work on W, but did not get all the info he believed he could get.

6. I spoke to him again about VARGAS case (just as I did 2-3 weeks ago) and this time G was rather convinced that he would not be able to work his way to V smoothly and he advocated a direct (cold) approach. I told him to put on paper what he did thus far concerning VARGAS and what were his suggestions. Will the trick work, I do not know.

6. I told him to ascertain with Base Houses whether the personnel had plans for Xmas leave including himself and ~~submitted~~ submit it for approval. I requested a list of presents including booze and cost . At the end I gave him the news that there will be no turkeys this year.

RHFernald

Ack B. Hayn w/thx
EMPTY
LI ~~CACHA~~ OPS

21 Octobe , 1969 (Tuesday)

To. : CO
From : Gerende
Subject : LICALLA Contact Report

time : 1630
pla e : Hotel

Operational : L-9 reports two new couples at club.

Production : two rolls: C-2432, 33; KOL report; notes.

14-00000

21 October, 1969 (Tuesday)

To : CO
From : Geren:e
Subject : LILYMIC Contact Report

time : 0745
place : LAKE

Operationa l : L-13 had nothing spec al to report.

Production : fiver rolls: Y-3205, 06, 07 ,08 09; logs for 14-20 October

14-00000

[illegible]	CLASSIFICATION [illegible]	PROCESSING ACTION
		MARKED FOR INDEXING
TO: [illegible]		NO INDEXING REQUIRED
INFO.: [illegible]		ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM: Chief of Station, [illegible] City		MICROFILM
SUBJECT: [illegible]		

ACTION REQUIRED - REFERENCES

[illegible]

REFERENCES : A. [illegible]
B. [illegible]

1. [illegible] 1963. [illegible]

2. [illegible]

[illegible]

[illegible]

[illegible]

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
[illegible]	[illegible]	[illegible]
	CLASSIFICATION	HQS FILE NUMBER
		50-6-74/3

14-00000

616 BD/BD/BD/RM

ORIG : C. ZEHRUNG
UNIT : WHD
EXT : 2555
DATE : 12 DECEMBER 1958 616

CLASSIFIED MESSAGE

SECRET

ROUTING 1 2 3 4 5 6

TO : MEXICO CITY

FROM: DIRECTOR

CONF: C/WH 2

INFO : COP, C/FI, C/FI/D, C/TSS 2, D/OC 2, S/C 2

PRECEDENCE: DEFERRED / ROUTINE / X PRIORITY / OPERATIONAL IMMEDIATE

DEC 12 22 36Z 58
REC'D CABLE SECT.

INITIALS Ros for RND

INITIALS

OUT53675

TO MEXI INFO CITE DIR 04467

[redacted]/LIMESA/LIMUST

REF MEXI 2940 (IN 36921)*

1. TRAVEL LIMUST 2 AND 3 TO ARIZONA AUTHORIZED UNDER LIMESA. SUGGEST THEY REMAIN ARIZ FOR HOLIDAYS UNTIL FURTHER NOTIFICATION BY EDLAND. COVER STORY: RETURNING HOME FOR HOLIDAYS, POSSIBLY TO BE CALLED TO COVER HQS FOR CONSULTATION AND TRAINING.

2. LIEMPTY PROJ MUST BE AMENDED INCLUDE LIMUST 2 AND 3 AND AUTHORIZE TRAINING TRIP. HQS WILL PREPARE AMENDMENT PROJ, CONTRACTS, AND CLEARANCES. NEED SOONEST DETAILS LOCAL COVER TO BE USED LIMUST/2.

3. HQS MUST GET STAFF APPROVAL INCLUDE LIMUST 2 INTO LIEMPTY BEFORE CAN AUTHORIZE TRAVEL TO HQS AND TRAINING. WILL ADVISE.

RECORDS OFFICER STAMP
The following action is authorized: de-Keyline
Signed: Gloria Naimon
R.O. #030 - Unit WH/1/R
Note: If destruction, cite reasons and coordinate if appropriate.

END OF MESSAGE

CS COMMENT: *MEXI SEARCHING FOR SUITABLE COUPLE FOR RECRUITMENT TO USE IN LIMUST.

COORDINATION:

CCD/NC/Biladeau (BY PHONE)

FI/OPS/PROJECTS/REDFORD (BY PHONE)

Liempty/Dev. Plans

R.N. Dahlgren

R.E. GOMEZ, AC/WHD
RELEASING OFFICER

COORDINATING OFFICERS

SECRET

~~R.N. DAHLGREN, C/WH/III~~
AUTHENTICATING OFFICER

 Copy No.

50-6-74/3

14-00000

SECRET [redacted]

RECORDS OFFICER STAMP
The following action is authorized:
18 November 1958
Signed:
Note:
coordinate if appropriate.

MEMORANDUM FOR: Acting Chief, Division D

SUBJECT : Limesa/Limust

1. Some attention should be devoted, if it has not already been, to the dangers involved in this operation and particularly to what countermeasures the target may institute, or may already have instituted.

2. One current danger certainly exists, to wit, the existence of project Licalla base, which is in the group of buildings comprising the Limesa complex. One of the agents at Licalla base is known to one of the Lipstick agents arrested in the summer of 1958, and it is, hence, possible that both the host government and the target knows of Licalla. It is suggested that perhaps Licalla should be terminated. The reason has been advanced that this should not be done since the agent would be suspicious and in any event Licalla might serve as a red herring for Limesa. It is believed that the Licalla agent could be gotten out of this operation without arousing his suspicion. The Station could mount an obvious tail on him; when he reported it, he could be told he had probably been made and that, hence, the operation should no longer continue. The agent has been a good one and could be used elsewhere on some other work. Licalla house is going to be repaired soon. This might be a good opportunity to stop work there and let some innocent party rent it. That would be a better red herring.

3. Concerning the manner in which Limesa houses were acquired by the Station, it should be kept in mind that the purchase mechanism was identical with that used in Limited. The watchman at Limited knew an American owned it and told this to what to him must have seemed a casual visitor to the premises when it was under repairs. We should, therefore, assume the targets know an American owns it and that it is blown. Therefore, we should also assume that if the targets have conducted any sort of an investigation of Limesa houses, they may well have discovered that the same ultimate owner is involved. So far as is known, the bank which fronts for the purchases has not been checked to see if any inquiries have been made. We must agree the targets have the capability to find out who the front owner is--the bank-- and from there could possibly establish the identity of the owner, Limousine. Limousine and his firms have also been used as cover for other Station agents and operations apart from Limesa and Limited.

SECRET [redacted]

56-6-44/3

SECRET
[redacted]

4. It should not be forgotten that a person tried both to rent and buy Limesa properties earlier in the year after we owned them. So far as we know, a check on this person was not productive of suspicious data, but the question arises as to how thorough the investigation was. Possibly the name the man gave when making inquiries was false, meaning that in effect the right person has never been investigated at all. Knowing that the targets have in the past shown some interest in the Limesa buildings, it is not beyond the realm of reason that this man was sent by them. The story he gave for wishing to rent the house--because it was handy and close to a certain school--is identical with the story used by the Station to cover rental of Licalla almost next door.

5. Even granting that the true ownership of Limesa has not been discovered by the targets, they have various recourses through which to establish the identity and activity of the occupants thereof. The following possibilities suggest themselves:

a. Enter into litigation with Limesa owner over exact boundaries or other pretext, demanding property be surveyed. On court order, Limesa could be inspected thoroughly.

b. Undermine target side of Limesa walls, leading to possible condemnation of property by local government or necessity various repairs, etc.

c. Sabotage of electricity (causing fire) or water or sewage, necessitating entry into Limesa of outside persons, who could be infiltered by target agents.

d. Ramming by vehicle, with similar results, police, firemen, etc.

e. Complaint to medical authorities on filth, refuse, etc., leading to inspection by health authorities.

f. Various other approaches might be discussed.

6. One general recommendation can be made: sensitive material should be used and kept in a crypt, and a good one, rather than in the relatively insecure special room now planned as the operational room.

7. Beyond this, every effort should be made to see to it that the operators have good cover. The idea of clothing them in local clothing is excellent and shows right thinking in that direction.

[redacted] J. C. KING
Chief, Western Hemisphere Division

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, WH

INFO: Chief, SB

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY Progress Report, 1 November 1967 through 30 June 1968

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: FYI

REFERENCE : HMMA-33459, 8 November 1967

Summary

1. During the reporting period, the project's principal agent, Raymond H. GERENDE, was assigned additional tasks, aimed at broadening his usefulness to the Station. These tasks included spotting and assessment as well as the handling of a recruited agent, ERFAIN-3.* GERENDE did well, and it is believed that a new dimension has been opened for him, and by the same token, the Station has, in effect, gained a new asset. The LIEMPTY base houses continued to produce at their usual rate and with their usual effective support to Station REDTOP operations. The LIMITED Base House and its operator, LIEMPTY-6, were terminated on 31 May 1968. Termination was decided upon partly to save money and partly because advancing age had measurably decreased the reliability and effectiveness of LIEMPTY-6's work. LIEMPTY-26 was rehired, which permitted the LILYRIC Base House to give us the same total hours of coverage as LILYRIC and LIMITED had together in the past.

.........continued

Distribution:
2 - C/WH
2 - C/SB 2 cc SB/O/WH

* [illegible]

CS COPY

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-35080	22 July 1968
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

GERENDE

2. During the reporting period, the case officer has been meeting GERENDE an average of three times per week. Meetings are usually pre-arranged, at various sites and times. Meetings average 20 to 30 minutes. GERENDE turns over to the case officer negatives, prints, logs, and other reports which he has picked up from the base houses since the previous meeting, along with brief contact reports on his meetings with base house representatives. Reports on other operational activities are also turned in and discussed, and GERENDE is given instructions, notes for the base houses, and negatives for any enlargements which may be desired by the Station. Also, LIENVOY tapes and transcripts are exchanged at each meeting. (The departure of LIACUTE-1 at the end of April 1968 left the Station without a BEDOX transcriber. As a temporary solution, pending the return of LIACUTE-1 or the recruitment of another BEDOX transcriber, GERENDE's wife, LIEMPTY-19, has been hired at the rate of 31.50 pesos per hour to transcribe the Spanish language portions of the tapes. She does the work in her home, and GERENDE transports the tapes.)

3. GERENDE has the direct agent-handling responsibility for the following LIEMPTY agents: LIEMPTY-4 (photo-processor; met twice per week); LIEMPTY-6 (LIMITED; met once per week until termination); LIEMPTYs 13, 14, 26, and 27 (LILYRIC; LIEMPTY-13 normally met twice per week -- in his absence LIEMPTY-27 makes meetings); and LIEMPTY-9 (LICALLA; met twice per week). He is responsible for directing their work, paying them, and handling all of the administrative problems which may develop. To judge from the results, GERENDE has excellent rapport with these agents and is able to get a consistently high performance rate from them -- particularly LICALLA and LILYRIC personnel.

4. As noted in reference, GERENDE was employed by the Mexican MHRAVEL committee, which we found a useful side benefit. His MHRAVEL activity during the reporting period has been minimal, but we expect it to start picking up again. GERENDE has conducted a few discreet inquiries and investigations for us within the MHRAVEL complex, and we have instructed him to try to get an assignment which will keep him as close to the FJSTEAL delegation as possible.

5. Reference also pointed out that GERENDE had performed nicely in the cultivation and development of an operational lead, and that the Station planned to give GERENDE more of the same. Furthermore, GERENDE's standing assignments (LIEMPTY base houses, MHRAVEL activity, and occasional support of JMROD requirements) were not challenging enough or occupying enough of GERENDE's time. GERENDE is rather firmly committed to WOFIRM by virtue of the fact that he has worked for WOFIRM for over 13 years and has no other outside employment of any consequence. By the same token, he was, through no fault of his own, doing less work for WOFIRM than at any time in his career. GERENDE's operational exposure through the years dictated more and more restrictions on his activity, for sound security reasons. The solution to GERENDE's problem (lack of a promising future) and the Station's (not getting its money's worth) seemed to be to give GERENDE additional tasks which he could handle under suitable cover and with due regard to security precautions. Since most of GERENDE's support activities had been against the FJSTEAL target, particular care would have to be taken in committing him further in this direction. It was decided, therefore, that his principal retooling would be in a non-FJSTEAL field.

CS COPY

6. In line with the above reasoning, GERENDE was introduced to Andrew R. DOSCHER on 17 February 1968. The idea was that GERENDE would be trained to assist DOSCHER in some of his operations against Central American targets. GERENDE's principal duty thus far has been to take over the handling of ERFAIN-3, under DOSCHER's close supervision and guidance. GERENDE has performed quite creditably in this task. He seems interested in the work and has learned quickly. On the other hand, an apparently ingrained habit of procrastination has resulted in dilatory reporting. If GERENDE can overcome this (and both case officers are working hard to teach GERENDE the importance of prompt and complete reporting) there seems to be every reason to believe GERENDE will devulop into a competent agent handler.

7. GERENDE was also given the task of locating and developing (in alias) a girl who, per LIENVOY, was being cultivated by AERODENT. Although GERENDE had to be continually reminded of the assignment, he did an excellent job of meeting the girl and gaining her confidence. It is quite likely that he could have recruited the girl as an access agent against AERODENT, but as this point was reached another operation against AERODENT was launched and it was not felt that attempting to recruit the girl would serve any useful purpose, for the time being at least (among other things, there was no indication that she had had any contact with AERODENT for some months). The only flaw in GERENDE's performance was the time it took him to get around to doing the job. It should be mentioned, however, that at the same time GERENDE had a number of pressing personal matters to attend to, including overseeing the completion of his new house, which he finally moved into on 10 March 1968, even though construction is still not entirely completed.

8. Among other assignments completed by GERENDE in the reporting period were the renting of an apartment for use as a listening post; and initiating a relationship with a Russian translator working for the MHRAVEL committee.

LICALLA

9. The star of the LIEMPTY show, as far as quality of performance is concerned, continues to be LIEMPTY-9. His favorable location and his perceptiveness continue to result in revealing photos and equally revealing commentary. In addition to the 2,908 operational photos taken during the reporting period, he has provided daily, weekly, and monthly summaries and notes, semi-monthly attendance reports (of FJSTEAL personnel spotted by him), various special reports, and special intensive coverage of the following: 201-120123; 201-107668; 201-271102; and 201-305870. As of 1 May 1968 LIEMPTY-9's salary was raised from 4,000 pesos to 4,500 pesos per month. LIEMPTY-9 was also given permission to have a maid's room constructed on the roof of his apartment. The original maid's room is LIEMPTY-9's photo point. The maid, who has been with the family for 11 years (since she was 10) either sleeps in the hall, where she is in the way, or in the bedroom of LIEMPTY-9's nine-year old son, which LIEMPTY-9 feels is beginning to be not a proper arrangement. The room will be built at a point on the roof away from the FJSTEAL installation (so as to arouse as little suspicion as possible), and the fact that the maid will be seen going in and out of the room regularly should quiet any suspicions which may arise. Construction work put LICALLA out of action starting 24 June, but it is expected that the work will be finished by 20 July.

LILYRIC

10. LILYRIC's performance continues to be prolific -- 8,568 operational photos in the reporting period. Again, it

should be pointed out that this blanket coverage is useful insurance that all activity is caught. Combined with the daily fixed surveillance reports on all members of the FJSTEAL installation, the Station can safely say that its coverage of FJSTEAL installation ingress and egress is complete during working hours (and any extra hours which the Station wishes covered). Since 1 May LILYRIC has been on duty 57 hours per week: 0800-1800 weekdays and 0800-1500 Saturdays. Commensurate with their new schedule (and the return of LIEMPTY-26 to the active roster), the total monthly LILYRIC salary has gone from 4,900 pesos per month to 6,000 pesos per month (LIEMPTYs 13, 14, 26, and 27, are of course, father, mother, and two sons). The fixed surveillance reports are used on a daily basis, since the Station constantly has operational interest in knowing whether a particular FJSTEALER was "in" or "out" at a particular time, and if out, who he went with, what time he left, etc. In addition, LILYRIC has standing instructions to notify GERENDE (and GERENDE the Station) immediately when American-appearing visitors come to the FJSTEAL installation. Eight such visits were noted in the reporting period, along with a number of other visitors who, for one reason or another, attracted the special attention of LILYRIC.

LIMITED

11. LIEMPTY-6 slowed down noticeably in the reporting period. He was ill several times, his surveillance reports were occasionally inaccurate, and his photographic work was poor. With the assurance that LILYRIC would be able to take up the slack (and give us better coverage for less money) the decision was made to terminate the LIMITED base house. While we are thereby denied some of the flexibility which we have had in the past, it is likely that LIEMPTY-6 would slowly have faded out of the picture anyway. While he was in there, he produced 911 operational photos, as well as daily fixed surveillance reports. Following his termination (a report of which is being forwarded separately) LIEMPTY-6 took a trip to Europe and has now started working full-time in the insurance business for his son-in-law, where he has gained a new lease on life. In other words, the termination couldn't have been more amicable. LIEMPTY-6 vacated the LIMITED apartment (he said he could not afford to keep paying the rent) and it is no longer available to the Station.

PHOTO LAB

12. LIEMPTY-4 has continued to process all LIEMPTY photo work. In addition to developing and making contact prints of all photos mentioned above, he made 778 enlargements of various shots. The photo lab is still in his office, pending the completion of GERENDE's house.

Vincent P. [signature]
for/Willard C. CURTIS

231

[illegible]-11 has started working with the [illegible] team when he is not occupied with [illegible] activities and has adapted very well. Also his [illegible] is better because of his increased activity.

H[illegible] 35038
16 July 58

14-00000

SECRET

XX

Chief/WHD

Chief of Station, Mexico City

Operational/LIEMPTY-11

Action Required: As Indicated

1. The placing of LIEMPTY-10 and -11 and the LIENTRAP vehicle under the operational responsibility of LIEMBRACE-1 has been beneficial to both of these capabilities. As has been previously reported, several surveillance assignments could not have been successfully accomplished without the dispatching assist of LIENTRAP.

2. In regard to this combination of assets there have been two weaknesses:

a. The LIENTRAP operators unfamiliarity with the LIEMBRACE radio usage and surveillance tactics.

b. Full use of LIEMPTY-11, (LIEMPTY-10 services 28 P.O. boxes on a thrice a week basis. This plus the regular LIENTRAP activity keeps him sufficiently occupied).

continued......

Distribution:
(3) - Chief/WHD

201-[illegible]

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
50-6-72/3	HMMA - [illegible]	3 May 1968
	SECRET	201-119930

3. In order to overcome the above mentioned weaknesses, The Station proposes that LIEMPTY-11 be used part-time with the LIEMBRACE surveillance team. He also will continue his LIENTRAP activities. This activity will enable the Station to make greater use of LIEMPTY-11's time and also give complete familiarity with radio usage and surveillance tactics. LIEMBRACE-1, LIEMPTY-10 and LIEMPTY-11 all are in agreement with this proposal.

4. LIEMPTY-11 has an Operational Approval granted on 14 September 1955 for use on the LIPSTICK team. The Station assumes that this OA will allow his use on the LIEMBRACE team. If this is not the case, the Station requests that his OA be amended to allow for such usage.

for/Willard C. CURTIS

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION
- MARKED FOR INDEXING
- NO INDEXING REQUIRED
- ONLY QUALIFIED DESK CAN JUDGE INDEXING
- MICROFILM

TO: Chief, WH

INFO.: Chief, SB

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY Progress Report 1 August through 31 October 1967

ACTION REQUIRED - REFERENCES

ACTION REQUIRED: FYI

REFERENCE : HMMA-32721, 7 August 1967

1. On [illegible] July 1967, Raymond H. GERENDE, principal agent for the LIEMPTY project, was introduced to his new case officer, Vincent P. RIZZUTO. The major reason for the change in case officers was to bring the LIEMPTY project into the section which it is largely designed to support, the REDTOP section. In the three-month period covered by this progress report, GERENDE was met by the case officer 32 times. Meetings were normally prearranged, with times and sites varied (with the introduction of the new case officer, most of the former regular meeting sites were dropped and new ones substituted). Meetings were occasionally arranged via telephone, in which case a prearranged code was used. Due to GERENDE's MHRAVEL activity (see below) it was not always possible to stick to a fixed meeting schedule.

2. GERENDE met with LIEMPTYs-4, 9, and 13 on a twice-a-week basis, and LIEMPTY-6 once per week during this period. These meetings were prearranged. As explained below, GERENDE no longer meets LIEMPTY 10.

......continued

Distribution:
2 - C/WH
2 - C/SB 2cc To SB/c/ut

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-33459	8 November 1967
	CLASSIFICATION	HQS FILE NUMBER
	SECRET	50-6-74/3

3. There were no known security incidents affecting the LIEMPTY Project or its assets during the period of this report.

LICALLA

4. LIEMPTY-9, the operator of the LICALLA base house, provided 1,289 operational photographs during this period. In addition, he provided fixed surveillance reports, sighting reports, and special notes and comments. LIEMPTY-9 has proven himself to be a reliable and perceptive reporter of the events he observes. For this reason, he has been asked to provide special coverage on various individuals of interest, or on particular days when coverage is desired. The Station has found the LICALLA reports to be consistently useful in determining the presence, activities, and personal associations of target personnel. In part this is due to the location of the LICALLA base house, but it is also due to the interest, effort, and judgement of LIEMPTY-9 himself.

LILYRIC

5. The LILYRIC base house has been a prolific provider of operational photos, 4,014 having been submitted in the period under review. While there is occasionally superfluous coverage of visiting sports and cultural delegations (and LILYRIC personnel have been instructed to be more selective in this respect) the blanket coverage afforded by this base house guarantees that nothing will be missed during normal working hours. The fixed surveillance reports are voluminous, highly accurate, and quite valuable. On three separate occasions during the reporting period LILYRIC alerted the Station to the presence of American visitors at the target installation.

LIMITED

6. The efficiency of the LIMITED base house has suffered a slow decline. LIEMPTY-6 has been out of action for short periods because of illness and a physical examination. The physical, however, showed that he is in good health and we look for an improvement in his performance in the next reporting period. His surveillance reports are not entirely reliable due to a tendency to assume that the normal occupant of a certain car is, in fact, in that car. His photos, however, continue to be useful. 314 were provided in the period under review.

LIENTRAP

7. As noted in HMMA-33279, 13 October 1967, the LIENTRAP photo vehicle, operated by LIEMPTY-10 and LIEMPTY-11, is now in direct contact with LIEMBRACE-1, leader of the LIEMBRACE surveillance team. This arrangement, which began in mid-August 1967, has proved to be a very happy one operationally. In addition to permitting more flexible use of LIENTRAP for Station requirements across the board, it has left GERENDE more time to devote to other duties (see below).

PHOTO LAB

8. LIEMPTY-4 has continued to process the photos taken by the base houses, and in addition made 269 enlargements in the period under review. During this period, the photo lab was moved to LIEMPTY-4's office because of renovations going on in GERENDE's house. LIEMPTY-4 processes the photos after working hours, and keeps the equipment and photos locked away during the day. As LIEMPTY-4's office is in his home, the equipment and photos are not left unguarded over night.

GERENDE

9. As reported in reference, GERENDE had been developing

a possible access agent to LIRING. This eventually culminated in an attempted recruitment of the prospect by GERENDE. Although the attempt was unsuccessful, GERENDE exhibited considerable resourcefulness and operational skill in developing the target to a point where the recruitment attempt was possible. We plan to use GERENDE in similar roles in the future as opportunities arise, and for this reason we plan to document him with a set of false Mexican documentation as well as a set of false American documentation. GERENDE is collecting exemplars and getting the background information needed, and once the necessary data are assembled, Headquarters (WOACRE) support will be requested.

10. GERENDE has continued to provide support for the JMROD operation as needed.

11. In September and October 1967 GERENDE was employed by the Mexican MHRAVEL committee. He was able to get assigned as aide to the DIZTAG delegation. In this capacity he was able to supplement very nicely the information and support being provided by Jeremy S. HODAPP. This foot-in-the-door came in very handy, and is expected to be even more valuable in 1968, if GERENDE can get the position again. While the job was rather time-consuming we believe that it was well worth it.

12. In connection with his duties with MHRAVEL, as well as in connection with the fact that his WOFIRM activities are nearly 100% against the FJSTEAL target, GERENDE was given a very general briefing on the Station's REDTOP program. It is our hope that, in having a better idea of what the Station is trying to do in this field, GERENDE will be able to make an even greater contribution to that program than he has in the past.

for/Willard C. CURTIS

50-6-74/3

14-00000

Engineering

MHPRIME - [illegible]

[illegible] → [illegible] Bank

Investment

[illegible] Paid in [illegible] bank
local investment

4½ + 5½

366 Dec 70

[illegible] holding

[illegible] [illegible] pay.

[illegible] - [illegible]

nominal in name only.

1 KAYAK - 2
[illegible] Contractor [illegible]

HMMT 10876 16 Ap 81

HMMS 7235 2 July 71.

Serious Civic Problem... [illegible] age forget it.
Can be done.
- < Can be done
Retirement income means only that which we deposit for him.
Matter [illegible] Distribution HOS.
Sums were available — would you match
Can Budget Stand
Match what he [illegible]?

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION

	MARKED FOR INDEXING
XX	NO INDEXING REQUIRED
	ONLY QUALIFIED DESK CAN JUDGE INDEXING
	MICROFILM

TO: Chief/WHD

INFO.

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY/Progress Report for the Period 1 May through 31 July 1967

ACTION REQUIRED - REFERENCES

Action Required: For Your Information

Reference : HMMA-32068, 23 May 1967 (Previous Progress Report)

1. From 1 May through 31 July 1967, 26 operational meetings were held with Raymond H. GERENDE, Principal Agent for the LIEMPTY Project. With the exception of one unscheduled meeting, meetings during this period were prearranged and meeting times and sites were varied. The unscheduled meeting was arranged via telephone using a prearranged open code. During the absence of GERENDE, two operational meetings were held with Oliver G. SCANTLING, alternate Principal Agent for LIEMPTY, and four with LIEMPTY-4, photo lab operator. All of these meetings were prearranged.

2. GERENDE met with LIEMPTY-4, -9, -10 and -13 on a twice a week basis and with LIEMPTY-6 on a once a week basis during this period. GERENDE's meetings with these assets were all prearranged. SCANTLING met with LIEMPTY-9 and -13 on two occasions and with LIEMPTY-6 once during the absence of GERENDE.

continued...

Distribution:

3 - Chief/WHD

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
201's marked - blue pencil copies made; on file	HMMA - 32721	7 August 1967
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

14-00000

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA - 32721

3. All assets involved in the LIEMPTY Project performed in a satisfactory manner during this period. Effective 1 July 1967 LIEMPTY-4 and LIEMPTY-11 were given slight salary increases, because of their increased activity.

4. There were no known security incidents affecting the LIEMPTY Project or the assets involved during the three months under review.

LICALLA

5. This basehouse, the operator of which is LIEMPTY-9, provided 1277 frames of operational photographs covering the patio and garden area of PJSTEAL. LIEMPTY-9 also prepared fixed-surveillance reports, sighting reports and special notes and comments.

LILYRIC

6. The LILYRIC basehouse, which is staffed by LIEMPTY-13, -14 and -27, produced 2854 frames of operational photograph during the period. The LILYRIC basehouse operators continued to prepare fixed-surveillance reports on each member of PJSTEAL and turned these in on a weekly basis. LIEMPTY-27 resumed his duties on 1 July as scheduled and this basehouse has now reverted to its normal hours of coverage. (See reference relative to the absence of LIEMPTY-27.)

LIMITED

7. The LIMITED Basehouse, operated by LIEMPTY-6, produced 279 frames of operational photographs plus weekly fixed surveillance reports on each of the members of PJSTEAL. The LIMITED basehouse was closed from 17 through 22 July because of the illness of LIEMPTY-6. During this period LIEMPTY-6 did very little radio-alerting for the LIEMBRACE surveillance team because of the variation of the surveillance team's activities.

LIENTRAP

8. The LIENTRAP mobile photo vehicle had a decrease in activity during this period because of the dismantling of the old LIENTRAP vehicle and the modification and installation of equipment in the new vehicle. The old LIENTRAP vehicle was used to cover photographically all of the residences of opposition elements in Mexico City. As in the past LIENTRAP provided photographic coverage of addresses of the local Communist parties, residences of members of other Hemisphere parties and several PBRUMEN targets. A total of 332 frames of operational photographs were provided by LIENTRAP.

PHOTO LAB

9. LIEMPTY-4, the operator of the LIEMPTY photo lab, processed all of the operational photographs mentioned above as well as providing from 2 to 6 enlargements of 299 frames of photographs of special interest taken by the basehouses. LIEMPTY-4 does the photo processing on Tuesday and Thursday nights.

10. Raymond H. GERENDE started the development of a possible access agent to LIRING and also continued to provide support for the JMROD operation. These task being aside from his regular LIEMPTY duties. GERENDE was on vacation from 25 May through 4 June 1967.

11. There will be one administrative change during the coming period when Vincent P. RIZZUTO will assume the Case Officer responsibilities for GERENDE/LIEMPTY. No problems are envisioned in this change over. No other significant changes are planned.

[signature]
for/Willard C. CURTIS

FORM 53a USE PREVIOUS EDITION.	CLASSIFICATION SECRET	NO CONTINUED	PAGE NO 2

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / XX NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief/WHD

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: Project LIEMPTY/ Progress Report for the period 1 February through 30 April 1967

ACTION REQUIRED REFERENCES

Action Required: For your information

References : HMMA-31354, 13 February 1967 (Previous Progress Report)
HMMA-31636, 20 March 1967 (JMROD/LIEMPTY)

1. During the period 1 February through 30 April 1967, 30 operational meetings were held with Raymond H. GERENDE, Principal Agent for the LIEMPTY support project. These meetings were all prearranged and meeting times and sites were varied to avoid establishing a pattern. No emergency or unscheduled meetings were held with GERENDE during this period.

2. GERENDE met with LIEMPTY-4, -6, -9, -10, -11 and -13--basehouse, photo lab and photo truck operators--twice a week during this period. Meetings with these assets were prearranged and were held at varying times and in different sections of the city.

3. All assets involved in the LIEMPTY Project performed in a satisfactory manner during the period under review.

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50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA - 32068	23 May 1967
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

14-00000

CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NUMBER HMMA - 32068

4. There were no known security incidents during the period covered in this report. As a precautionary measure, the LIEMPTY basehousekeepers were instructed to maintain increased vigilance in their respective areas and buildings and to be prepared to evacuate any incriminating equipment and papers on a moment's notice. This was done because of the renewed interest in the assassination of President Kennedy which in turn brought forth comments in the press about photographs taken of Oswald during his visit to Mexico. On three occasions during this period, LIEMBRACE-3 surveilled the operational meetings between GERENDE and LIEMPTY-6. This was done in order to try to ascertain if any FJSTEAL personnel were taking measures to verify the activities of LIEMPTY-6. LIEMBRACE-3 reported that all of the meetings he covered appeared to be clean of hostile surveillance. (NOTE: Headquarters is aware of the interest FJSTEAL has taken in LIEMPTY-6. LIEMBRACE-3 does not know the exact location of LIMITED/LIEMPTY-6, although he is aware of the existence of this asset because of the radio alert system used by the surveillance team when working the FJSTEAL target. In order to avoid LIEMBRACE-3 surveilling LIEMPTY-6 to the exact address, LIEMBRACE-3 was instructed to surveill GERENDE when he departed the meeting site and to report to GERENDE after LIEMBRACE-3 was convinced that there was no hostile surveillance and after they had departed the meeting area.)

LICALLA

5. During this period LIEMPTY-9, operator of the LICALLA basehouse, provided 1112 frames of operational photographs covering the patio and garden area of FJSTEAL. All photographs provided by LIEMPTY-9 were accompanied by fixed-surveillance reports, sighting reports and special notes. LIEMPTY-9 is a perceptive individual and his special notes and comments are considered to be of great value by the interested section in the Station. LICALLA coverage was suspended during the period 19 through 25 March while LIEMPTY-9 was taking a well-deserved vacation. The cover of the LICALLA basehouse appears to remain good, with no undue attention devoted to it by FJSTEAL personnel.

LILYRIC

6. This basehouse, which is staffed by LIEMPTY-13, -14 and -27, produced 2553 frames of operational photographs during the review period. LIEMPTY-13 is employed full-time and most of the coverage is provided by LIEMPTY-14, and -27, although during this period, LIEMPTY-14 carried the largest share of the workload. In March the hours in which LIEMPTY-27, a medical student, attended school were changed from the afternoon to the morning. This schedule change will remain in effect until the end of June 1967. LIEMPTY-14 does not have the mental composure to remain on the job for the hours needed to provide full-time coverage and her homekeeping duties often interfered with her working hours. In order to alleviate this problem, the working hours of LIEMPTY-6/LIMITED were increased and those of LILYRIC/LIEMPTY-14 decreased. No serious loss of coverage resulted from this temporary change in working hours. The salary of LIEMPTY-27 was cut in half for the period of time in which he will not be providing continual assistance to the Project.

7. LILYRIC remains as the main source of information on WOLADY and other foreign visitors to FJSTEAL.

LIMITED

8. LIEMPTY-6, the operator of the LIMITED basehouse, provided 684 frames of operational photographs during the three month period. LIEMPTY-6 also spent a great deal of time alerting for the LIEMBRACE surveillance team during this period because of the AEQUALITY-1 operation. LIEMPTY-6 was on vacation from 8 through 23 April and coverage from this basehouse was suspended during this period. As mentioned above, LIEMPTY-6 now is working longer hours in order to relieve LIEMPTY-14. LIEMPTY-6 does not know why his hours were increased.

9. On one occasion during this period LIEMPTY-6, while alerting the LIEMBRACE team on an FJSTEAL target, noted that a WOLADY subject had entered FJSTEAL on foot. He alerted the team and they were able to surveill the subject and identify him through records at the hotel where he was staying.

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CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA - 32068

LIENTRAP

10. The LIENTRAP photo surveillance truck was targetted against a purported forged document processing center, members and addresses of the local Communist parties and their front groups, members of other Hemisphere parties, BEDOX personnel in Mexico City and the DIZTAG Commercial Office. In covering these targets, 948 frames of operational photographs were produced. LIEMPTY-10 and LIEMPTY-11, LIENTRAP operators, serviced, on a thrice weekly basis, over 20 postal boxes which are used as accomodation addresses by the Mexico City Station, other field stations and Headquarters.

11. LIEMPTY-4 who operates the LIEMPTY photo processing lab, processed all of the above mentioned operational photographs as well as providing from 2 to 6 enlargements of 227 frames of photographs of special interest.

12. Raymond H. GERENDE continued to provide support for the JMROD operation as well as carrying out his duties as the Principal Agent for the LIEMPTY Project.

13. GERENDE is planning to take a 14 day vacation starting in late May. During his absence Oliver G. SCANTLING will replace GERENDE as the Principal Agent and contact for LIEMPTY-6, -9, -10, -11 and -13. The Station Case Officer will be in contact with LIEMPTY-4. SCANTLING knows all of the assets whom he will handle and has worked with them in the past, but has not met LIEMPTY-4.

14. As approved by Headquarters, the present LIENTRAP vehicle will be replaced by a new Ford "Econoline" truck in the near future. Before the old LIENTRAP vehicle is sold, it will be used to cover residences of the FJSTEAL/NYXIS opposition who are living in Mexico City.

15. No significant operational or administrative changes, other than those mentioned in this dispatch, are planned for Project LIEMPTY for the coming period.

for/Willard C. CURTIS

FORM 8-64 53a (40) USE PREVIOUS EDITION.	CLASSIFICATION SECRET	NO CONTINUED	PAGE NO. 3

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / XX NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, WHD

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: Project LIEMPTY
Progress Report for the period 1 November 1966 through 31 January 1967

ACTION REQUIRED - REFERENCES

Action Required: For Your Information

References : A. HMMA-30687, 28 November 1966 (Previous Progress Report)
B. HMMA-30956, 28 December 1966 (SGSWIRL of LIEMPTY-10)
C. HMMW-15157, 13 January 1967 (Project Renewal Approval)
D. HMMA-31164, 24 January 1967 (LIEMPTY Security)

GENERAL

1. Project LIEMPTY is a support project which provides information of CI/CE interest on the FJSTEAL installation, FJSTEAL personnel, visitors to FJSTEAL, both indigenous and foreign, and photographic coverage of various targets deemed of interest by the several operational sections within the Station. The Project has eight active agents plus Raymond H. GERENDE, Principal Agent; two vehicles, GERENDE's QPV and the LIENTRAP photo truck; a photographic processing laboratory; and, three basehouses, LILYRIC, LIMITED and LICALLA. LIEMPTY-10 and LIEMPTY-11, operators of the photo surveillance truck, also acquire and service P. O. boxes used operationally by the Station, Headquarters and other Stations.

2. On 9 December 1966 Luke B. MARSCHALEK (p) assumed Case Officer responsibilities for the LIEMPTY Project. MARSCHALEK was introduced to GERENDE in true name and GERENDE is the only member of the LIEMPTY complex whom MARSCHALEK has met. There were no problems during the change of Case Officers and none are envisioned in the future.

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(3) - Chief, WHD

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50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-31354	13 February 1967
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

CONTACT AND COMMUNICATIONS

3. During the period under review, 30 meetings were held with GERENDE by the Project Case Officer. Meeting sites and times were varied to avoid establishing a pattern and most meetings were scheduled at the previous meeting. Several unscheduled meetings were held during this period and were arranged by the Case Officer telephoning GERENDE to establish the meeting time and site. Times and sites are coded when discussed by telephone and are arranged in such a way as to appear to be a normal conversation. Telephone calls to GERENDE are made from pay booths located away from the LNPURE installation.

4. GERENDE held twice weekly, clandestine meetings with LIEMPTY-4, -6, -9, -10, -11 and -13. These regular meetings are all prearranged and are held at various sites and at various times of the day so that meetings correspond with the regular habits and movements of the basehousekeepers and LIENTRAP operators.

5. All assets involved in the LIEMPTY project performed in a most satisfactory manner during the period under review. LIFEUD-4 has been extremely efficient in developing and printing negatives provided by the other assets.

PRODUCTION AND ACTIVITIES

6. LICALLA. During this period LIEMPTY -9, operator of the LICALLA basehouse, provided 1,239 frames of operational photographs covering the patio and garden of the FJSTEAL installation, the area where many of the officers, family members and visitors congregate. This coverage is especially valuable because the officers are usually at their leisure and often gather into functional groupings. LIEMPTY-9 is very observant and his comments and notes are considered of great value to the Station. All photos provided by LIEMPTY-9 are accompanied by a fixed-surveillance report.

7. LILYRIC. This basehouse is staffed by LIEMPTY-13, -14, and -27 with LIEMPTY-14 and -27 providing most of the coverage because of the full-time outside employment of LIEMPTY-13. During this period the LILYRIC basehouse provided 2,716 frames of operational photographs covering the only vehicle and pedestrian entrance into the target installation. All photographs were accompanied by fixed-surveillance reports on individual members of the staff of the target installation. The operators are often able to provide the license plate numbers of vehicles used by visitors to the target installation, which in many cases help to identify the visitor.

8. LIMITED. The operator of the LIMITED basehouse is LIEMPTY-6. The LIMITED basehouse also provides coverage of the only vehicle and pedestrian entrance to the FJSTEAL installation, but from a different angle, and the comments made relative to coverage in the section on LILYRIC also pertain to LIMITED. The LIMITED basehouse provided 557 frames of operational photographs during this period. LIMITED also serves as the radio alert for the LIEMBRACE surveillance team, although the practice of using a radio alert is being decreased. On two occasions during this period LIEMPTY-6 was alerting for the team in a deception exercise, since the team was not working the FJSTEAL target. This was done on instructions from the Station and LIEMPTY-6 was not told that these were deception exercises.

9. LIENTRAP. During this period as in the last reporting period, the LIENTRAP mobile surveillance unit was targetted mainly against the local Communist parties as well as members of other Hemisphere parties who are living or are in exile in Mexico. The LIENTRAP operators are LIEMPTY-10 and LIEMPTY-11 and during this period they produced 564 frames of operational photographs. LIEMPTY-10 and LIEMPTY-11 also service over 20 postal boxes which are used as accomodation addresses by the Mexico City Station, Headquarters and other field stations.

10. Raymond H. GERENDE. Aside from his regular duties as the Principal Agent for the LIEMPTY Project, GERENDE also provided valuable assistance in the furtherance of objectives involved in the JMROD operation. In this regard, Thomas G. URQUHART, Headquarters officer, held approximately seven operational meetings with GERENDE during this reporting period.

SECURITY

11. LIEMPTY-10 and -11 were afforded a SGSWIRL interview on 8 December 1966. There were no outstanding problems indicated in the results of the interview of LIEMPTY-11. The results of LIEMPTY -10's interview were discussed in Reference B.

12. A general security review of the LIEMPTY Project was forwarded in Reference D.

13. There were no known security problems or incidents during this period which may have jeopardized the operation or the assets involved in the Project. KJSTEAL interest in LIEMPTY-6/LIMITED was discussed in Reference D and apparently is a continuing matter.

PLANS

14. During the coming period no significant operational or administrative changes are planned, since the Project is producing in a timely and satisfactory manner.

for/Willard C. CURTIS

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / XX NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, WHD

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY/Security of LILYRIC, LIMITED and LICALLA

ACTION REQUIRED REFERENCES

Action Required: For Your Information

1. In December 1966 Raymond H. GERENDE, Principal Agent for the LIEMPTY Project, was asked to prepare a security resume, including his opinions, on the security of the LILYRIC, LIMITED and LICALLA Basehouses vis-a-vis Soviet knowledge of their existence. The following paragraphs contain a slightly edited version of GERENDE's report, which was received on 28 December 1966. Station comments follow GERENDE's and are so noted.

LILYRIC

2. In its present new location LILYRIC is the newest of the photo bases under my control. According to LIEMPTY-13, there has been no indication of interest of any sort by the Soviets in the family's move to the new apartment nor was there in the past any show of interest or peculiar behavior on their (Soviet's) part with regard to the old base and the possibility that they might be under photo surveillance.

3. The cover for the work carried on by this base is good since the wife, LIEMPTY-14, who does most of the work has no trouble in justifying her presence at home all of the time. The son, LIEMPTY-27 is a medical student and attends his classes regularly and can justify his hours as study hours. (He continues to be an excellent student and was exempted from examinations at the end of this, his second year in medical school. Actually, he studies most of the night). LIEMPTY-13 requires no cover as he has a full-time job as production manager for a large concern and he usually makes his meetings with GERENDE on his way to or from work.

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CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-31164	24 January 1967
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-32/3

4. The set-up in the old as well as the new base is the following: The equipment - camera, scope and tripod - is mounted in one bedroom behind venetian blinds with one slat removed. This room is locked to keep servants or any chance intruder from entering. The operators do not spend all their time behind the camera, but go to the adjoining bedroom where a table and typewriter are set up and where the daily logs are transcribed, knitting done, or some other activity that does not require full concentration is carried out. The curtains and blinds in this room are kept partially or fully open to allow good visibility and provide a normal appearance. Most of the daily movement of the Soviet personnel is followed from this room and when it is necessary to take pictures of visitors, unknown persons or newly arrived Soviets, the operators go to the other room and use the pre-set equipment.

5. GERENDE's Comment. It seems to me that any careful observation by the Soviets would have revealed the tell-tale position of the venetian blinds in both the old and the new bases. I have no doubt that the Soviets realize they are under photo surveillance. The move by the family from the old to the new building must surely have been noted by the Soviets. Possibly the Soviets think the family is working with the local authorities due to LIEMPTY-13's former association with the Mexican Army.

6. Station Comments. The Station agrees with GERENDE that careful observation by the Soviets would have revealed the missing slat in the venetian blinds and also the fact that these blinds are seldom open. The Station also agrees that the Soviets realize that they are under photo surveillance. This was pointed out recently when a Soviet shielded an LNERGO walk-in when they passed the front gate of the Embassy and made a sign to the walk-in indicating that they could be seen by someone watching with a telescope from the buildings across the street. Also, as Headquarters is aware, there have been numerous comments by residents of Mexico City to the effect that anyone entering the Soviet Embassy is photographed; however, seldom has it been rumored that the "Americans" are doing it, which might indicate most people believe the Mexican Government is doing any such photographing and thereby reaffirming GERENDE's statement that the Soviets possibly believe the Mexican Government runs the base.

7. Given the assumption that the LILYRIC base is blown, the Station at this point does not plan to terminate or revamp the LILYRIC installation. Any operational change by the operators would be spotted by the Soviets and if the Base were closed the Soviets would start looking for a new installation. The LILYRIC Base is performing a useful function and it is believed that it will continue to do so. The Soviets have had opportunities to complain to the Mexican Government about being monitored photographically and have not seen fit to do so and it is believed that they probably will not do so unless there is a radical change in Soviet and/or Mexican policy. The Station has instructed GERENDE to take every precaution during his meetings with LIEMPTY-13 to assure that LIEMPTY-13 does not lead the Soviets to him and thereby jeopardizing other operations, especially LICALLA.

LIMITED

8. The operator of the LIMITED Base, LIEMPTY-6, is, to my knowledge, the oldest hand in the photo surveillance of the Soviet target and possibly the most likely to be "burned". His residence for years at the former Base (now the site of the new LILYRIC building) and his move to the present base could not have gone unnoticed by the Soviets. His cover is that of an insurance salesman, but he actually does not work at the cover and is at a disadvantage in trying to explain his source of income. At times, in years past, he had to afford full-time coverage from the base, which allowed him no time to engage in credible cover activities.

9. GERENDE Comments. I do not believe that LIEMPTY-6/LIMITED is a security risk; however, his present means of working from an open door leading to his balcony probably can be spotted by the Soviets. LIEMPTY-6 is extremely cautious about checking himself for surveillance when making meetings.

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CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA - 31164

10. Station Comments. The same Station comments made in reference to LILYRIC also apply to LIMITED. Also, the use of LIMITED as the radio alert base for the LIEMBRACE surveillance team has weakened the security of this base. In regard to LIMITED, LICOWL-1 has reported that the Soviets are very interested in LIEMPTY-6/LIMITED and that so many Soviets have talked to him (LICOWL-1) about LIEMPTY-6 that he is convinced that the Soviets have a "fear" and an "obsession" about LIEMPTY-6. LICOWL-1 reported on 3 January 1967 that the Subject of 201-744341 and the Subject of 201-756168 asked him on 19 December 1966 for full details known to him about LIEMPTY-6 and Subject of 201-756168 went so far as to say that he believes that LIEMPTY-6 is "watching the Soviets".

LICALLA

11. When the Soviets raised the height of the wall in their backyard about two years ago, they could have blocked completely the view of this base's working window by making the wall a few inches higher. Since they did not do this, it would seem to indicate that they are not aware that their activities are being monitored from this point. On the other hand, in recent months LIEMPTY-9, the operator, has reported that activities in the back yard have been curtailed more and more. For example, the women no longer congregate there daily, the school children enter their classes by a route not visible to LIEMPTY-9 and the trees and shrubs have not been trimmed in years, making LIEMPTY-9's view poor in most directions. LIEMPTY-9 says that he has never noticed any undue interest in his house or his activities by the Soviets. Access to the operating room can be seen from the window which LIEMPTY-9 believes to be the commo room in the target installation.

12. The cover for this base is that of a normal residence. LIEMPTY-9's cover work is that of a car and insurance salesman in a local automobile agency in the afternoon only. LIEMPTY-9 does work in his cover. LIEMPTY-9's cover for the use of the operating room is that he does accounting work for client firms. The door is kept locked at all times and LIEMPTY-9 never allows the servant to enter, even for cleaning purposes. The equipment is kept locked in a trunk within the room when not in use and all logs and photos are kept in a safe located in LIEMPTY-9's bedroom closet.

13. GERENDE Comment. I believe the Soviets are aware of the photo surveillance being carried out by this base due to the position of the window and the curtains during the hours when LIEMPTY-9 is operating.

14. Station Comment. The Station does not believe that this photo base is known to the Soviets. This belief is based on the fact that the LICALLA coverage is excellent and there has been no indication that the Soviets act for the benefit of observers while they are in the backyard. It is interesting to note that the Soviets made no effort to "protect" the LNERGO walk-in mentioned in paragraph 6 above during a visit to the backyard and LICALLA did obtain photographs of the walk-in. The school children no longer pass through the backyard because the location of the school was recently changed and the children now go by another route. The Station has instructed GERENDE to take every precaution in order to protect the security of the LICALLA base.

15. As a general comment pertaining to the security of the bases involved in Project LIEMPTY, it should be noted that the Soviets are aware of the fact that LIMOUSINE is the owner/builder of the new LILYRIC building. LIMOUSINE is also the owner of the LIMESA complex, through a holding company.

16. The Station realizes that most of the details reported in this dispatch are known to Headquarters; however, the Station wanted to make the opinions of the Principal Agent and the Station a matter of record in a consolidated form.

For/Willard C. CURTIS

DISPATCH	CLASSIFICATION SECRET	PROCESSING ACTION
		MARKED FOR INDEXING
TO Chief, WHD		XX NO INDEXING REQUIRED
INFO.		ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM Chief of Station, Mexico City		MICROFILM

SUBJECT: LIEMPTY/Progress Report
1 August through 31 October 1966

ACTION REQUIRED - REFERENCES

Action Required: For Your Information

References : A. HMMA-29775, dated 15 August 1966

B. MEXICO CITY-8526, dated 12 September 1966

C. HMMA-30203, dated 3 October 1966

D. MEXICO CITY-8807, dated 10 October 1966

E. HMMA-30403, dated 26 October 1966

1. SUMMARY OF PROJECT ACTIVITIES AND REPORTING

A. The last regularly scheduled LIEMPTY Progress Report, covering the period 1 May through 31 July 1966, was forwarded to Headquarters as Reference A. Noteworthy interim Project activities were reported in References B. through D. while Mexico City Station's Request for the Renewal of Project LIEMPTY was forwarded with Reference E.

B. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors. This activity was in consonance with various sections of the RMD as approved for Station Mexico City. The above cited program was accomplished through the daily photographic and fixed surveillance coverage provided by the LIMITED, LILYRIC and LICALLA basehouses. In addition, the LIEMPTY Project provided effective support to other Station and Headquarters (i.e. AMROD and AMLETTER) activities through the exploitation of the LIENTRAP mobile/photographic unit and the LIEMPTY principal agent, Raymond H. GERENDE.

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LIEMPTY
50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-30687	28 November 1966
	CLASSIFICATION SECRET	HQS FILE NUMBER 50-6-74/3

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA - 30627

2. AGENT COMMUNICATIONS, CONTACT AND PERFORMANCE

During the period under review, Raymond H. GERENDE was seen 2? times in regular operational meetings by the LIEMPTY Project case officer. No basic changes other than the regular preplanned variations in meeting sites and times were made in the Project communication channels. The up-dated and revised emergency communication system for contact with GERENDE (see HMMA-28333, dated 21 February 1966) remains in effect. All regular contact with the active LIEMPTY agents (LIEMPTYs -4, -6, -9, -10, -11, -13, -14, and -26) was maintained via Raymond H. GERENDE. GERENDE met each of the above cited agents, with the exception of LIEMPTYs -14, and -26, two times each week in clandestine meetings. The operational performance of all active LIEMPTY agents, including GERENDE was most satisfactory. The performance of LIEMPTY-4 in assisting the local WUACRE section with its photographic processing was outstanding.

3. ACCOMPLISHMENTS, PROGRESS AND ACHIEVEMENTS

A. SUMMARY - Throughout the reporting period, the LIEMPTY Project continued to provide the vast majority of the operational photographs and surveillance reports used by the Station in its planning and operations against the LIMERICK installation and personnel. The LIEMPTY coverage has proved to be a particularly reliable tool for: following the daily comings and goings of the LIMERICK personnel; providing leads to and confirming the identifications of new LIMERICK staffers and also visitors to the LIMERICK installation; providing leads to the relative rank and the specific intelligence service affiliation of various LIMERICK officers; keeping the Station abreast of construction and physical changes in the LIMERICK physical plant; and providing a reliable check on various Station and LNERGO access agents. During the quarter under review, Project LIEMPTY basehouses provided 5,003 frames of operational photographs (169 rolls) as well as 1,290 pages of fixed surveillance reports covering the movements of the LIMERICK staffers.

B. LIENTRAP - Throughout this period, the LIENTRAP mobile unit was again targetted heavily against leaders and meeting sites of the local Communist parties as well as other targets of opportunity, particularly Haitian, Guatemalan and Honduran Communist exile leaders now resident in Mexico. LIENTRAP provided up-dated and/or new identification photographs which are of value to both the JMTIGER and the Station recruitment/penetration program. This apparat provided a total of 237 operational photographs, while the personnel attached to this LIENTRAP unit regularly serviced 23 postal accommodation addresses used by Mexico City Station, Headquarters and other field Stations.

C. LIMITED - During this quarter, the LIMITED basehouse provided 724 frames of operational film as well as daily physical surveillance reports covering the arrival and departure of all LIMERICK personnel and visitors at the front gate of that installation during the evening and week-end hours. In addition, LIEMPTY-6, the LIMITED basehousekeeper, working from his excellent visual vantage point, dispatched the LIEMBRACE surveillance team via radio on several LIEMBRACE surveillance operations.

D. LILYRIC - During this reporting period, the LILYRIC basehouse provided 2,859 frames of operational photographs covering the same area and targets noted in the LIMITED section above, but during the morning and afternoon hours. In October the LILYRIC personnel (LIEMPTYs -13, -14, -26 and -27) successfully completed the move into the new LIMOUSINE building. While some photographic coverage was lost during the move, LILYRIC coverage at present is back to normal (see also paragraph 4 of Reference A.).

E. LICALLA - Throughout this period, the LICALLA basehouse provided both physical observation and photographic coverage of the garden and patio of the LIMERICK installation, an area where many of the officers, their families and visitors congregate. In providing this coverage LICALLA produced 1,183 individual photographs (of which 80 were color prints used in the Station's "mug book") as well as regular daily reports on the salient activities in this area.

F. LIEMPTY-4 - With the exception of the color prints, all of the above cited operational film provided by the basehouses and the LIENTRAP unit was developed and printed by LIEMPTY-4 at the LIEMPTY photographic laboratory. In order to alleviate some of the pressure caused by recent adjustments in the Station's WOACRE section, LIEMPTY-4 also processed approximately 200 photographic enlargements which normally would not fall within the scope of this project.

G. Raymond H. GERENDE - Throughout the reporting period, GERENDS served as the full time principal agent for Project LIEMPTY, operating as the cut-out to the above cited basehouses and bearing the first echelon agent handling responsibility for all active personnel. In addition, GERENDE via hard leg work and his translating ability, made numerous and essential contributions to the AMROD deception operation.

4. SECURITY AND PLANS

A. There have been no known incidents during the reporting period which adversely affected the security of Project LIEMPTY or the personnel therein. Station plans to afford LIEMPTYs-10 and -11 SGSWIRL examinations during the ensuing period. All other active LIEMPTY agents have been SGSWIRLed during the past year.

B. No significant operational or administrative changes are planned for the ensuing period since this Project is producing in a satisfactory and regular manner.

for/Willard C. CURTIS

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: yes — MARKED FOR INDEXING; NO INDEXING REQUIRED; ONLY QUALIFIED DESK CAN JUDGE INDEXING; MICROFILM

TO: Chief of Station, Mexico City

INFO: Chief of Station, JMWAVE

FROM: Acting Chief, WH Division

SUBJECT: Identification of Florida License Plate 1-105538

MICROFILMED SEP 19 1966 DOC. MICRO. SER.

ACTION REQUIRED - REFERENCES

Action Required: For your information
References: A. MEXI-8361, 24 August 1966
B. DIR-31174, 27 August 1966
C. MEXI 8394, 26 August 1966

1. Contained herein is supplemental information to Reference B.

2. Florida lincese plates 1-105538 were registered to Lewis *WOLSHIN for use on a 1964 Ford.

DOB: 1908 ... USA

3. JMWAVE investigation revealed that WOLSHIN was born in 1908 and is presently residing at 1684 9th Avenue, Hialeah, Florida with his wife Olga A. *WOLSHIN. Their telephone number is 887-7907. He has been employed as a Pool Manager or Assistant Park Manager by Dade County since 1953. He had a satisfactory credit rating. Police checks in Miami indicated the following arrest record:

a. In 1934 he was arrested in New York City for felonious assault. The charge was later reduced to simple assault.

b. In 1941 he was arrested in Savanah, Georgia for investigation of auto larceny. He was released to New York.

c. 1941 arrested in New York City for violation of probation.

d. 1947 arrested in Las Vegas, Nevada for peddling without a license.

e. 1951 arrested in New York City for petty larceny.

4. Neither RI nor WOBONE indices contained information on WOLSHIN or his wife.

5. Permission is granted to pass the above information to LNERGO. We are also making it available to their Headquarters.

Laura J. UTSTINE

LIEMPTY

Distribution:
2 - COS, Mexico City
1 - COS, JMWAVE

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
CS COPY	HMMW-14857	12 SEP 1966 1 September 1966
	CLASSIFICATION SECRET	HQS FILE NUMBER 50-6-74/3

RI
Chrono
WH/Security
SR/O/WH
WH/C/FI

2 SEP 10 33 AM '66

ORIGINATING			
OFFICE: WH/1/Terance	OFFICER	TYPIST: nr	EXT: 3654

COORDINATING		
OFFICE SYMBOL	DATE	OFFICER'S NAME
WH/Security		Mr. Hannah
SR/O/WH	2 Sept	F. Ulric M. Hennessy
WH/C/FI	8 Sept	

2 SEP 15 03 PM '66

RELEASING		
OFFICE SYMBOL	DATE	OFFICER'S SIGNATURE
AC/WH/1		J. Fisher

INDEX / ABSTRACT

53 USE PREVIOUS EDITION

DISPATCH

SECRET

29 August 1966

MEMORANDUM FOR: Chief, WH/1

ATTENTION : Jane Zerance

SUBJECT : Identification of License Tag 1-105538

1. Identification of the above captioned license tag was made by JMWAVE security. They have furnished the following information.

2. The license tag is registered to Lewis Wolshin, born 1908; is residing at 684 SE 9th Avenue, Hialeah, Florida. The tag was issued on a 1964 Ford. Wolshin's wife is Olga A. Wolshin; he has been employed as Pool Manager or Assistant Park Manager by Dade County, Florida, since 1953. A credit check was conducted in Wolshin's name, and a October 1964 report indicated biographic data as listed above. He had been known to the credit bureau since 1951, had satisfactory credit, and no derogatory information was available. Police checks in Miami, Florida, indicated the following arrest record:

1934	New York City	Felonious assault charge reduced to simple assault
1941	Savannah, Ga.	Investigation of auto larceny, released to New York
1941	New York City	Violation of probation
1947	Las Vegas, Nev.	Peddling without license
1951	New York City	Petty Larceny

SECRET

GROUP 1
Excluded from automatic downgrading and declassification

file LIEMPTY
50-6-74/3

SECRET

Wolshin's telephone number at Hialeah, Florida, is 887-7907. The Office of Security Indices has no record of Wolshin or his wife Olga.

Richard J. Hannah
WH/Security

SECRET

14-00000

SECRET NO FOREIGN DISSEM

13 SEP 1966

TO : Director
Federal Bureau of Investigation
Attention: Mr. S. J. Papich

FROM : Deputy Director for Plans

SUBJECT: Visitors to the Soviet Embassy, Mexico City

1. A usually reliable source reported that an American looking couple visited the Soviet Embassy in Mexico City from 1200 to 1230 hours on 23 August 1966. They were driving a Falcon bus bearing Florida tags 1-105538 (white numerals on blue.)

2. Investigation revealed that the plates were registered to Lewis WOLSHIN for use on a 1964 Ford.

3. WOLSHIN was born in 1908 and is presently residing at 684 9th Avenue, Hialeah, Florida with his wife Olga A. WOLSHIN. Their telephone number is 887-7907. He has been employed as Pool Manager or Assistant Park Manager by Dade County since 1953. He had a satisfactory credit rating. Police checks in Miami indicated the following arrest record:

1934	New York City	Felonious assault charge reduced to simple assault.
1941	Savannah, Georgia	Investigation of auto larceny, released to New York
1941	New York City	Violation of probation
1947	Las Vegas, Nevada	Peddling without license
1951	New York City	Petty larceny.

INDEX | FI
RS | DEST | LV4/1
ABSTRACT X | I...

4. This Office has no information on the above-mentioned individuals.

5. The information contained herein has been passed to your representative in Mexico City and may not receive further dissemination by your Bureau without prior approval of this Office.

CSCI-316/04400-66 SECRET NO FOREIGN DISSEM

CS COPY

LCWNY/3 50-6-74/3

CSCI-316/04400-66

1 September 1966

BASIC: MEXI-8361, 24 Aug 66
DIR-31174, 27 Aug 66
MEXI-8394, 26 Aug 66

PROJ : LIENVOY/LILYRIC

LIAISON: --

FILE: 50-6-74/3)

(Distribution & coord., next page)

CSCI-316/04400-66

Distribution:
O & 1 - FBI
cc - RI (50-6-74/3)
cc - CI/LIA
cc - WH/1/MEXICO
cc - WH/1/Chrono
cc - WH/FI
cc - WH/Sec
cc - SR/O/WH
cc - WH/C/FI

Coordinated with:
WH/Sec ________
SR/O/WH ________
WH/C/FI ________

WH/1/Jane Zerance/nr/1 September 1966

14-00000

INDEX: ☐ YES ☐ NO
CLASSIFY TO FILE NO.
X-REF TO FILE NO.
FILE RID ☐ RET. TO BRANCH ☐
DESTROY ☐ SIG.

CLASSIFIED MESSAGE B TOTAL COPIES 21

SECRET

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PERSON/UNIT NOTIFIED

DISSEM BY 3

ACTION WH8 ☒ RID COPY

ADVANCE COPY ☐ ISSUED ☐ SLOTTED ☐ TUBED

UNIT TIME BY

INFO FILE VR, CI, CI/OPS, FI, SB8

ACTION

26 AUG 66 IN 84385

S E C R E T 262305Z CITE MEXICO CITY 8394

DIRECTOR

WOMUSE

REF MEXICO CITY 8361 (IN 82644) *

REF CAR WAS FALCON BUS, NOT VOLKSWAGEN.

S E C R E T

SECRET

BT

* RE AMERICAN LOOKING COUPLE WHO VISITED SOVIET EMBASSY 23 AUG.

LIEMPTY OPS

14-00000

MESSAGE FORM
TOTAL COPIES: 20

ORIG: J. Zeffance/kaw
UNIT: WH/1
EXT: 3654
DATE: 26 August 1966

☐ FILE RID
☐ INDEX
XX NO INDEX
X FILE IN CS FILE NO.

SECRET

ROUTING: 1, 2, 3, 4, 5, 6, 7, 8

DISSEM BY 15 PER

☐ DESTROY ☐ RETURN TO ______ BRANCH

FROM: DIRECTOR

CONF: WH 8 ☒ RID COPY

INFO: VR , FILE wh/c 8, ci/ops

(CLASSIFICATION) SECRET

27 1440Z CITE DIRECTOR 31174

TO MEXICO CITY INFO: JMWAVE

REF: MEXICO CITY 8361 (IN 82664) NOT SENT JMWAVE

1. FLORIDA TAG 1-105538 REGISTERED LOUIS WOLSHIN DOB 1908 OF 684 S. E. NINTH AVE., HIALEAH. WIFE OLGA A. EMPLOYED AS POOL MGR OR ASST PARK MGR BY DADE COUNTY SINCE 1953. SATISFACTORY CREDIT. POLICE RECORD 1934 TO 1951, FIVE ARRESTS INCLUDING LARCENY, ASSAULT, VIOLATION OF PROBATION AND PEDDLING WITHOUT LICENSE. NO HDQS TRACES. PERMISSION GRANTED PASS LNERGO.

2. JMWAVE: SOLUTION TO LICENSE PLATE OF AMERICAN LOOKING COUPLE VISITING SOVIET EMBASSY MEXICO CITY 23 AUGUST.

END OF MESSAGE

LIEMPTY OPS

Jacob D. Esterline
AC/WHD
RELEASING OFFICER

WH/SEC - Mr. Hannah, (by phone)
WH/C/CICS
COORDINATING OFFICERS

J. Fisher
AC/WH/1
AUTHENTICATING OFFICER

SECRET

GROUP 1 Excluded from automatic downgrading and declassification

COPY NO.

14-00000

INDEX: ☐ YES ☐ NO
CLASSIFY TO FILE NO.
X-REF TO FILE NO.
FILE RID ☐ RET. TO BRANCH ☐
DESTROY ☐ SIG.

CLASSIFIED MESSAGE 13 TOTAL COPIES 22

SECRET

REPRODUCTION PROHIBITED

PERSON/UNIT NOTIFIED

DISSEM BY 3

ACTION
WH 8

☒ RID COPY

ADVANCE COPY ☐ ISSUED ☐ SLOTTED ☐ TUBED

UNIT TIME BY

INFO
FILE VR, SB 8, CI, CI/OPS, FI

S E C R E T 242020Z CITE MEXICO CITY 8361

24 Aug 66 IN 22864

DIRECTOR

WOMUSE

1. LILYRIC REPORTS AMERICAN LOOKING COUPLE VISITED SOVIET EMBASSY 23 AUG FROM 1200 TO 1230 HOURS. WERE DRIVING CAR, BELIEVED VOLKSWAGEN BUS, WITH WHITE ON BLUE FLORIDA TAGS 1-105538.

2. WILL ADVISE LOCAL LNERGO.

3. PLEASE CABLE SOLUTION TO LICENSE PLATE.

S E C R E T

BT

SECRET

WOLSHIN

cy of cable sent Jerry Mullane - 25 Aug 66

LIEMPTY OPS

3

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION

MARKED FOR INDEXING

XX NO INDEXING REQUIRED

ONLY QUALIFIED DESK CAN JUDGE INDEXING

MICROFILM

TO: Chief/WHD

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: LIEMPTY/Progress Report
1 May through 31 July 1966

ACTION REQUIRED - REFERENCES

Action Required: For Your Information

References : A. HMMA-28938, dated 13 May 1966

B. MEXICO CITY 7533, dated 6 June 1966

C. DIRECTOR 12138, dated 14 June 1966

D. DIRECTOR 19940, dated 14 July 1966

1. SUMMARY OF PROJECT OBJECTIVES, REPORTING and ACTIVITIES.

The last regularly scheduled LIEMPTY Progress Report, covering the period 1 February through 30 April 1966, was forwarded to Headquarters as reference A. Salient interim project activities and levied requirements were contained in references B. through D. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors, as well as various targets of opportunity. This activity was in consonance with and represented partial fulfillment of various sections of the RMD as approved for Station Mexico City. The above cited program was achieved through the daily photographic and fixed surveillance coverage provided by the LIMITED, LILYRIC and LICALLA basehouses, as well as the LIENTRAP mobil photo unit. In addition the LIEMPTY Project provided essential support to various other Headquarters (i.e. AMROD and AECUTLET) activities and other Station operations through the regular exploitation of the LIEMPTY principal agent, Raymond H. GERENDE.

continued...

Distribution:

3 - Chief/WHD

CS COPY

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-29775	15 August 1966
	CLASSIFICATION	HQS FILE NUMBER
	SECRET	50-6-74/3

2. AGENT COMMUNICATION, CONTACT AND PERFORMANCE.

During the period under review, GERENDE was seen 25 times in regular operational meetings by the LIEMPTY Project case officer. No basic departures, other than the regular pre-planned changes in meeting sites and time, were made in the regular and alternate communication channels. The up-dated and revised emergency communication system for contact with GERENDE as forwarded to Headquarters in HMMA-28333, dated 21 February 1966 remains in effect. During the period under review, the emergency contact arrangements pertinent to LIEMPTYs -4, -6, -9, -13 and -14 were reviewed by GERENDE and the respective agents. The operational performance of all active LIEMPTY agents was highly satisfactory. As per usual, GERENDE turned in the solid operational performance which the Station has come to expect from this long-time contract agent.

3. ACCOMPLISHMENTS, PROGRESS AND ACHIEVEMENTS.

A. Summary - Throughout the reporting period, the LIEMPTY Project continued to provide the vast majority of the operational photographs and physical surveillance reports used by the Station in its operational planning against the LIMERICK installation and personnel. The LIEMPTY coverage has proved to be a particularly reliable tool for: following the daily movements of LIMERICK personnel; providing leads to and confirming the identities of LIMERICK staffers and their visitors; providing leads to the relative rank and the specific intelligence service connection of various LIMERICK officers; keeping the Station abreast of construction changes in the LIMERICK physical plant; and providing a reliable check on various Station and LNERGO access agents. During the quarter under review, Project LIEMPTY basehouses provided a record 5,722 frames of operational photographs (184 reels) as well as approximately 1,200 pages of fixed surveillance reports covering the movements of the LIMERICK staffers.

B. LIENTRAP - Throughout this period, the LIENTRAP mobile unit was targetted against leaders and meeting sites of the local Communist parties as well as other targets of opportunity, particularly exile Communist leaders now resident in Mexico. LIENTRAP provided up-dated identification photographs of Communist officers which are of value to both the JMTIGER program and the Station's recruitment/penetration program. This apparat provided 282 operational photographs, while the personnel attached to the LIENTRAP unit also regularly serviced 21 postal accommodation addresses used by Mexico City Station, Headquarters and other Field Stations. In July, the LIENTRAP unit was repainted and completely overhauled.

C. LIMITED - During this quarter, the LIMITED basehouse provided 1,215 frames (47 reels) of operational film as well as daily physical surveillance reports covering the arrival and departure of all LIMERICK personnel, at the front gate of that installation during the evening and weekend hours. In addition, LIEMPTY-6, the LIMITED basehouse keeper, served as the radio dispatcher for numerous LIEMBRACE surveillance operations.

D. LILYRIC - During this period, the LILYRIC basehouse provided a record 3,301 frames (99 reels) of operational photographs covering the same area and targets as noted in the LIMITED section above, but during the morning and afternoon hours. As noted in paragraph 5 of reference A., Station completed the rearrangement of the LIMITED-LILYRIC working hours, based on the recent recruitment and clearance of LIEMPTYs -26 and -27. The LILYRIC basehouse now provides photographic and physical surveillance coverage from 0800 hours through 1700 hours, while LIMITED provides coverage from 1700 hours to 1930 hours on weekdays. LIMITED also provides morning coverage on Saturdays and Sundays.

E. LICALLA - Throughout this period, the LICALLA basehouse provided coverage of the garden and patio area of the LIMERICK installation, an area where many of the officers, their families and visitors congregate. In providing this coverage, LICALLA produced 1,206 individual photographs as well as regular daily reports on the salient activities in this area.

F. MISCELLANEOUS - All of the above cited operational film provided by the basehouses and the LIENTRAP unit was developed and printed by LIEMPTY-4 at the LIEMPTY Photo Lab. During this period, LIEMPTY-19 provided translations of numerous articles and documents in support of other Station activities not directly related to Project LIEMPTY.

G. Raymond H. GERENDE - Throughout the reporting period, GERENDE served as the full-time LIEMPTY P/A, operating as the cut-out to the above-cited basehouses and bearing the agent handling responsibility for the related personnel, as well as handling the operators of the LIENTRAP unit (LIEMPTYs -10 and 11), LIEMPTY-4 and LIEMPTY-19. GERENDE's overall operational assignment involved at least 12 clandestine meetings per week, in addition to his meetings with the LIEMPTY case officer. It should be noted that GERENDE also made numerous and essential contributions to the sensitive AMROD deception operation.

4. SECURITY AND PLANS.

A. There had been no known incidents during the reporting period which adversely affected the security of Project LIEMPTY or the personnel attached thereto.

B. In order to alleviate a portion of the pressure caused by the recent major adjustment in the Station's WOACRE section, the LIEMPTY photographic base, during the ensuing period, will process various Station photographic requirements which normally do not fall within the realm of this Project.

C. It is anticipated that the LILYRIC personnel (LIEMPTYs -13, -14, -26 and -27) will move into the new LIMOUSINE building during the forthcoming period. Little, if any, coverage will be lost during this move. Other than noted above, no significant operational or administrative changes are planned for the ensuing period.

for/Willard C. CURTIS

14-00000

ATCH

CLASSIFICATION: S-E-C-R-E-T

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief of Station, Mexico City

FROM: Chief/KUSIOT

SUBJECT: AQUATIC/AMROD
Examination of Envelopes

ACTION REQUIRED - REFERENCES

Reference: HMMA-29002, 20 May 1966

Examination of the five envelopes sent as attachments with reference shows possible evidence of tampering on one envelope, while the other four show no evidence of tampering. For your convenience we are attaching a xerox copy of the envelope which showed evidence of tampering.

Neil A. Cocayne

Neil A. COCAYNE

Attachment: (1 envl)
1. Xerox copy of envelope

Distribution:
3 - COS, Mexico City, w/att.

GROUP I
Excluded from automatic downgrading and declassification

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMW-14695 CS COPY	30 JUN 1966
	CLASSIFICATION: S-E-C-R-E-T	HQS FILE NUMBER: 50-6-74/3

1 - RI, w/o
1 - TSD/Registry, w/o
1 - WH/1, w/o
1 - WH/C/CA/PA, w/o
1 - TSD/CCG/OPS

ORIGINATING

OFFICE	OFFICER	TYPIST		EXT.
TSD/CCG/OPS	CDBrammer	mah	27 June 1966	x2922

COORDINATING

OFFICE SYMBOL	DATE	OFFICER'S NAME
WH/1	24 Jun 66	W. Fredrick (by phone), x3654
WH/C/CA/PA	21 June 66	Pat Johnson (in draft)

ABSTRACT / INDEX

RELEASING

OFFICE SYMBOL	DATE	OFFICER'S SIGNATURE
C/TSD/CCG	27 JUN 1966	John S. Foster

FORM 1-63 53 USE PREVIOUS EDITION (40)

DISPATCH

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / NO INDEXING REQUIRED XX / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, WHD

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: Project LIEMPTY/Progress Report
1 February through 30 April 1966

ACTION REQUIRED - REFERENCES

References: A. HMMA-28322, dated 17 February 1966
B. DIR-81875, dated 20 February 1966
C. MEXI-6479, dated 7 March 1966
D. MEXI-6611, dated 22 March 1966
E. MEXI-6668, dated 28 March 1966
F. MEXI-6794, dated 6 April 1966

Action Required: For Your Information.

1. SUMMARY OF PROJECT REPORTING AND ACTIVITY

The last regularly scheduled LIEMPTY Progress Report, covering the period 1 November 1965 through 31 January 1966 was forwarded to Headquarters as reference A. Salient interim operational and security activities and developments were included in references B. through F. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors, as well as various targets of opportunity. This activity was in consonance with, and represented partial fulfillment of various sections of the RMD as approved for Mexico City Station. The above-cited progress was achieved through the daily photographic and fixed surveillance coverage provided by the LIMITED, LILYRIC, and LICALLA basehouses as well as the LIEMTRAP mobile photographic unit. In addition, the LIEMPTY project provided essential support to various other Headquarters (particularly the AMROD operation) and Station activities

continued...

Distribution:
3 - Chief, WHD

18 C27 | 50-6-74/3

CROSS REFERENCE TO:

DISPATCH SYMBOL AND NUMBER: HMMA-28938

DATE: 13 May 1966

CLASSIFICATION: SECRET

HQS FILE NUMBER: 50-6-74/3

through the exploitation of the LIEMPTY Principal Agent, Raymond H. GERENDE.

2. AGENT COMMUNICATIONS AND CONTACT

During the period under review, GERENDE was seen 33 times in regular operational meetings by the undersigned, and on 2 occasions by the local KURIOT representative, Hugh T. FRANCOTTE. The meetings between FRANCOTTE and GERENDE were attended by the LIEMPTY Project Case Officer and dealt with the installation of a new PAKO print dryer in the LIEMPTY photo laboratory. In addition, GERENDE met four times, for extended periods, with LCFLUTTER examiner Daniel R. HOSKIER when he served as the interpreter for the LCFLUTTER examinations afforded LIEMPTYs, -6,-9,-14,-13, -26, and -27. No basic departures, other than the regular preplanned changes in meeting sites and times, were made in the regular and alternate communications channels to GERENDE. It should be noted that an up-dated and revised emergency communication system for contact with GERENDE was forwarded to Headquarters as HMMA-28333, dated 21 February 1966. This plan includes both verbal and physical bona fides and supercedes previous arrangements.

3. ACCOMPLISHMENTS, PROGRESS, ACHIEVEMENTS

a) SUMMARY - Throughout the reporting period, Project LIEMPTY continued to provide the vast majority of the operational photographs and physical surveillance reports used in Mexico City Station's operations against the LIMERICK installation and personnel. The LIEMPTY coverage has proved to be a most reliable tool for: following the daily movements of LIMERICK personnel; providing leads to, and confirming the identities of LIMERICK staffers and their visitors; verifying or providing leads to the relative rank and specific intelligence service connection of various LIMERICK officers; keeping the Station abreast of construction changes in the LIMERICK physical plant; providing a check on reports of Station and ODENVY access agents. During the three month period under review, Project LIEMPTY's basehouses provided 3,967 frames of operational photographs (146 rolls) as well as 650 pages of fixed surveillance reports covering this target.

b) LIENTRAP - Throughout this period, the LIENTRAP mobile unit was targetted against leaders and meeting-sites of the local Communist parties as well as other targets of opportunity, specifically the leaders of the strike group at the National University. LIENTRAP provided up-to-date photographs of numerous Communist officials, which are of value to both the JMTIGER program and the Station's recruitment/penetration program. This unit provided 330 operational photographs, while the personnel attached to this unit also regularly serviced 21 postal accommodation addresses used by Mexico City Station, Headquarters, and other field Stations.

c) LIMITED - During this period, the LIMITED basehouse provided 1,147 frames (45 rolls) of operational film and daily observation reports covering the arrival and departure of LIMERICK personnel and visitors at the front gate of that installation during the afternoon and rush-hours. In addition, LIEMPTY-6, the LIMITED basehouse keeper, served as the radio dispatcher for several LIEMBRACE surveillance operations.

d) LILYRIC - During this period, the LILYRIC basehouse provided 1,660 frames (56 rolls) of operational photographs, covering the same area and targets noted in the LIMITED section, but during the morning and early afternoon hours. In addition, the LILYRIC personnel prepared a detailed report on the daily comings and goings of each LIMERICK staffer and contributed the majority of this Project's physical surveillance reports.

e) LICALLA - Throughout this period, the LICALLA basehouse provided photographic coverage of the garden and patio area of the LIMERICK installation, an area where many of the officers, their families and visitors congregate. In providing this coverage, LICALLA produced 1160 individual photographs as well as regular, daily reports on the salient activities in this area.

f) LIEMPTY-4 - All the above cited operational film (160 rolls, 4,297 frames) provided by the basehouses and the LIENTRAP unit was developed and printed by LIEMPTY-4 at the LIEMPTY photo lab. As noted in paragraph 2 above, a new semi-automatic PAKO print dryer was recently installed in the photo laboratory. With the installation of this dryer, the Station's modernization of the LIEMPTY photo laboratory has been completed. (See paragraph 5 of HMMA-27653, dated 17 November for the details of this program).

g. Raymond H. GERENDE - During the reporting period, GERENDE served as the full-time LIEMPTY P/A, operating as the cutout to the LIMITED, LILYRIC, and LICALLA basehouses and bearing the agent handling responsibility for the related personnel as well as handling the operators of the LIENTRAP mobile unit, LIEMPTY-4, and LIEMPTY-19, a Station asset (translator) carried under Project LIFEAT. Gerende's overall assignment involved at least twelve clandestine agent meetings each week, in addition to his meetings with the LIEMPTY Project case officer. It should be noted that GERENDE also made numerous and essential contributions to the sensitive AMROD deception operation.

4. <u>SECURITY</u>

There have been no known incidents which adversely affected the security of Project LIEMPTY. During the period under review, LIEMPTYs -6, -9, -13, -14, -26, and -27 were afforded LCFLUTTER examinations, all with satisfactory results.

5. <u>CHANGES AND PLANNING</u>

As noted in paragraph 5 of reference A, Station is in the process of increasing the hours of both the photographic and physical surveillance coverage provided by the LILYRIC operations during the week-days. At present, the LILYRIC personnel are providing coverage from early morning to late afternoon, while LIMITED is providing week-end coverage. After the LILYRICs have moved into the new LIMOUSINE building, it is anticipated that they will be able to provide complete dawn to dusk coverage, the Station's ultimate goal.

for/Willard C. CURTIS

to be a memorandum from the [illegible] Office of Naval Construction to the Mexican Secretary of the [illegible] concerning the departure from Mexico City of the Chief of Naval Construction for the port of Mazatlan on official orders. The Station is attempting to determine just how the Soviets obtained this memorandum.

During April 1965, the American Embassy Protection and Welfare officer advised the Station that he had received a call from the States from a Mr. James Green, Sr. concerning his son, James C. Green, Jr. and a friend of his son's, Grant W. Crayne. He said that according to Mr. Green, his son and Crayne had called Mr. Green and told him that they were going to the Soviet Union. The two men later visited the U. S. Embassy and were interviewed by a Station officer. The following day on 12 April, Subject reported that two Americans (who fitted the descriptions of Green and Crayne) had visited the Soviet Embassy that same day. This fact was subsequently confirmed by LIMITED. LIEMBRACE surveillance was placed on the two men and this eventually led to their arrest and deportation from Mexico.

Also during the reporting period, Subject reported an incident which the Station felt could be used to discredit the Soviet Embassy in the eyes of the local population. The story, which is factual, was placed in the newspaper La Prensa by LILISP-E during July 1965. An English language translation of the article follows :

La Prensa, 19 July 1965 (Editorial page)

"The Men 'Made in Moscow'"

. . "The men made in Moscow lack sensibilities, are forbidden, because of their Marxist beliefs, to aid the suffering or to help those in need. On 3 July of this year, in front of the Russian Embassy, a Mexican was hurt by a large lamp which had been placed above the gate to the Embassy and which fell on him due to the strong wind. The wounded man, bleeding profusely, begged the Russian guards who were but a few feet away from a telephone to call the Red Cross. The guard answered that the Embassy was not responsible for the force of the wind and that the man should move on his way and not bother him. At this point, some local workers and students began to gather about the wounded man and several of them asked that the Russian guard telephone the Red Cross. The Soviet guard again refused this request and also refused the students permission to use the guard-house phone themselves. Meanwhile, the bleeding man had lost consciousness and the students demonstrated their feelings toward this monstrous lack of charity by shouting (names) at the Russians. The Russian answered (in Spanish) that the accident was of no interest to the Embassy and besides no one there spoke Spanish. A good Communist has no reason to show pity in the face of misfortune, deformers that they are, lacking sensibilities, they cannot find the goodness to pity anyone. . . . ."

8. Concerning the possible security questions raised by the Station in HMMA-27692 of 12 November 1965, the Station would like to comment that no new doubts concerning LICOOL-1 have arisen since this dispatch was written. We plan to give LICOOL-1 a LCFLUTTER test during March 1966.

for
Willard C. CURTIS

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION: MARKED FOR INDEXING / XX NO INDEXING REQUIRED / ONLY QUALIFIED DESK CAN JUDGE INDEXING / MICROFILM

TO: Chief, WH Division

INFO:

FROM: Chief of Station, Mexico City

SUBJECT: Project LIEMPTY Progress Report 1 November 1965 through 31 January 1966

ACTION REQUIRED - REFERENCES

REFERENCES: A. HMMA-27653, dated 17 November 1965

B. MEXI-5390, dated 23 November 1965

C. MEXI-5401, dated 24 November 1965

D. MEXI-5421, dated 26 November 1965

E. MEXI-5452, dated 30 November 1965

1. SUMMARY OF PROJECT ACTIVITY AND REPORTING

The last regularly scheduled LIEMPTY Progress Report covering the period 1 August through 31 October 1965 was forwarded to Headquarters as reference A. Salient interim activities and developments were included in references B. through E. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors, as well as various targets of opportunity. This was achieved through the daily photographic and fixed surveillance coverage provided by the LIMITED, LILYRIC, and LICALLA basehouses and the LIENTRAP mobile unit. In addition, the LIEMPTY project provided essential support to various other Headquarters (particularly the AMROD operation) and Station activities through the exploitation of the LIEMPTY Principal Agent, Raymond H. GERENDE.

continued...

Distribution:
3 - Chief, WH Division

Liempty
50-6-74/3

CROSS REFERENCE TO:

DISPATCH SYMBOL AND NUMBER: HMMA-28322

DATE: 17 February 1966

CLASSIFICATION: SECRET

HQS FILE NUMBER: 50-6-74/3

2. AGENT CONTACT AND COMMUNICATIONS

During the reporting period, GERENDE was seen 34 times in regular operational meetings by the undersigned and on 5 occasions by the Headquarters' AMROD operations officer, Thomas G. URQUHART. All meetings were regularly rotated among eight selected sites. No basic departures were made from the standard meeting modus operandi; however, new contact arrangements, for meetings under emergency conditions, are being worked out with GERENDE.

3. ACCOMPLISHMENTS, PROGRESS, ACHIEVEMENTS

a) SUMMARY - Throughout the reporting period, Project LIEMPTY continued to provide the vast majority of the operational photographs and physical surveillance reports used in Mexico City Station's operations targetted against the LIMERICK installation and personnel. This activity is in direct support of, and in consonance with, the current RMP as approved for the Station. The LIEMPTY coverage has proved to be a most reliable tool for: following the daily movements of LIMERICK personnel; providing leads to, and confirming the identities of LIMERICK staffers and their visitors; verifying the relative rank and specific intelligence service connection of various LIMERICK officers; keeping the Station abreast of construction changes of the LIMERICK physical plant; and verifying reports of Station access agents. During the period under review, the LIEMPTY basehouses produced 4,212 photographs (149 rolls) as well as 640 pages of fixed surveillance reports covering this target.

b) LIENTRAP - Throughout this period, the LIENTRAP mobile unit was targetted against leaders and meeting-sites of the local communist parties as well as other targets of opportunity. Specifically, LIENTRAP provided up-to-date photographs of numerous communist officials, which are of value to both the JMTIGER program and the Station's penetration/recruitment program. The LIENTRAP unit and personnel also regularly serviced 21 postal accommodation addresses used by Mexico City Station, Headquarters, and other field Stations. The LIENTRAP unit provided a total of 404 operational photographs.

c) LIMITED - During the reporting period, the LIMITED basehouse provided 1,412 frames (54 rolls) of operational film and daily observation reports covering the arrival and departure of LIMERICK personnel and visitors at the front gate of the installation during the afternoon and early evening hours. In addition, LIEMPTY-6, the LIMITED basehouse keeper, served as the radio dispatcher on several LIEMBRACE surveillance operations. The value and need of the LIMITED fixed-radio dispatching base has been explained in detail in previous LIEMPTY Progress Reports.

d) LILYRIC - During this period, the LILYRIC basehouse produced 1,542 frames (54 rolls) of operational photographs, covering the same area and targets noted in the LIMITED section, but during the morning and early afternoon hours. In addition, LILYRIC prepared a weekly report on the comings and goings of each LIMERICK staffer and contributed the majority of this project's physical surveillance reports.

e) LICALLA - Throughout this period, the LICALLA basehouse provided photographic coverage of the garden and patio area of the LIMERICK installation, an area where many of the officers, their families, and visitors congregate. In covering this area, LICALLA produced 1,258 individual photographs as well as regular reports on the activities of various officials of special interest to the Station.

f) LIEMPTY-4 - All the above noted operational film (165 rolls, 4,616 frames) provided by the basehouses and the LIENTRAP unit was developed and printed by LIEMPTY-4 at the LIEMPTY photo processing base. As noted in reference A., much of the LIEMPTY photographic lab equipment was scheduled to be replaced during this period. With the advice of the local KODAK representative, both the LIEMPTY lab's film washing system and strip printer were replaced. In addition, a new semi-automatic drum-type print dryer was ordered by the Station for installation in this base during February 1966.

g) Raymond H. GERENDE - During the reporting period, GERENDE served as the full-time LIEMPTY F/A, operating as the cutout to the LIMITED, LILYRIC, and LICALLA basehouses and bearing the agent handling responsibility for the operators of the LIEMTRAP mobile unit as well as LIEMPTY-4 and LIEMPTY-19, a Station asset (translator) carried under Project LIFEAT. This overall assignment involved at least twelve clandestine agent meetings per week (in addition the 34 meetings held with the Project Case Officer). GERENDE also made numerous and essential contributions to the sensitive AMROD operation. It should be noted that GERENDE's alertness in spotting the PBRUMEN surveillance of one of the AMROD accommodation addresses, undoubtedly saved this sensitive deception operation from exposure by the opposition.

4. SECURITY AND PROBLEMS

Other than the attempted PBRUMEN surveillance of the AMROD accommodation address noted above (which was neutralized by GERENDE's alertness), there have been no known incidents which adversely affected the security of the LIEMPTY project or the related agent personnel. While several minor administrative problems arose, all such matters were resolved locally.

5. CHANGES AND PLANNING

a) One major operational change is planned for the ensuing period. Upon completion of the new LIMOUSINE structure (see HMMA-25352, dated 10 February 1965), the Station will move the present LILYRIC basehouse personnel (LIEMPTYs 13, 14, 26 and 27) into that edifice rather than the LIMITED (LIEMPTYs 6 and 7) personnel as originally planned. Ancillary modifications are: 1) To increase the hours of both the photographic and physical surveillance coverage provided by the LILYRIC operators (dawn to dusk) during the week days and 2) have LIMITED provide photographic and physical surveillance coverage on week-ends only, while remaining on daily stand-by for radio-dispatching assignments. These changes were dictated by the following considerations:

1) The new LIMOUSINE building will offer a much better vantage point for both photographic and physical surveillance than does the present complex which houses the LILYRIC and LIMITED bases. Therefore, the Station feels that the personnel occupying this new base should be those possessing the highest technical skills and also those able to provide the most thorough and complete coverage. Since the LIMITED base now has only one trained operator while the LILYRIC basehouse has three, the LILYRIC group is indicated.

2) Because it appears that the coverage of the LIMERICK installation will be a long-range and continuing requirement, the Station desires to staff the new base with personnel of long-range potential. Since LIEMPTY-6 is now almost 60 years old, it is obvious that he does not possess this potential; however, the LILYRIC agent complex happily combines experienced personnel with youthful agents.

3) Finally, the social and financial status of the LILYRIC personnel is much more compatible and consistent with the environment of the new building than is that of the LIMITED family.

While it is anticipated that these modifications and changes will initially cause various administrative and operational problems, it is believed that all such adjustments can be handled locally.

b) The requisite copies of the PRQ Part II pertinent to LIEMPTY-26 were forwarded to Headquarters with HMMA-27593, dated 8 November 1965 along with a request for a full Operational Approval for Subject for use as a cut-out to the LILYRIC basehouse. LIEMPTY-27 was granted a Provisional Operational Approval on 26 January 1966 for use as a part-time basehouse keeper/operator at the LILYRIC installation.

14-00000

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NUMBER HMMA-28322

c) Other than noted above, there have been no major administrative, operational, or personnel changes during the reporting period.

for/Willard C. CURTIS

FORM 5-60 (40) 53a USE PREVIOUS EDITION.	CLASSIFICATION SECRET	CONTINUED	PAGE NO. 4

14-00000

MESSAGE FORM
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☐ DESTROY ☐ RETURN TO BRANCH ☐ FILE RID
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ROUTING

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RIG : C.Bustos-Videla
NIT : WH/1
XT : 4506
ATE : 18 Nov 65

☐ INDEX
☐ NO INDEX
☐ FILE IN CS FILE NO.

2 SECRET

20 Nov 65 16 11 z

O : MEXICO CITY

ROM: DIRECTOR

ONF: WH 8 INFO: VR , FILE ☐ RID COPY CA/MHO 7 CS/S 3 CI CI/OPS FI

SIG CEN

O MEXI INFO CARA CITE DIR 59668

REF CARA 3029 (IN 94102)*

HQS APPROVES MR. MOREHOUSE STOPPING BY MEXI FOR DISCUSSIONS ON USES OF SURVEILLANCE PANEL TRUCKS. WILL ARRIVE MEXI SOMETIME LATTER HALF WEEK 22 NOVEMBER. WILL PHONE CABOT AT HOME OR OFFICE ON ARRIVAL. NO NEED MEET ~~HIM~~ NOR MAKE RESERVATIONS.

END OF MESSAGE

*Cara requested permission Morehouse visit Mexi on brief TDY for latest methods and problems encountered in use surveillance panel truck.

Lempty / ops

OC/SPS/CMT/D.Millhorn (draft)
WH/3/Venezuela [signature]

[signature]
William V. Broe
Chief, WHD
RELEASING OFFICER

COORDINATING OFFICERS

GROUP 1

[signature]
W.J. Kaufman
C/WH/1
AUTHENTICATING

14-00000

DISPATCH

CLASSIFICATION [illegible]

PROCESSING ACTION

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NO INDEXING REQUIRED

ONLY QUALIFIED DESK CAN JUDGE INDEXING

MICROFILM

TO: Chief, [illegible] Division

INFO:

FROM: Acting, Chief of Station, [illegible]

SUBJECT: Project [illegible] Progress [illegible] 1 August [illegible] 31 October [illegible]

ACTION REQUIRED REFERENCES

References: A. [illegible], [illegible] August [illegible]
B. [illegible], [illegible] August [illegible]
C. [illegible], [illegible] August [illegible]
D. [illegible], 1 September [illegible]
E. [illegible], 1 October [illegible]
F. [illegible], 6 October [illegible]
G. [illegible], [illegible] October [illegible]

1. [illegible]

The [illegible] visitors, [illegible] (particularly [illegible]) [illegible] of the [illegible] Principal [illegible]

2. [illegible]

a) In [illegible] returned to [illegible] (See reference [illegible]) [illegible] operational, administrative [illegible]

b) [illegible] After [illegible] regular operational meetings and [illegible] Headquarters [illegible] retained and no basic [illegible] approval.

Continued [illegible]

Distribution:
[illegible]

ES COPY

[illegible] - 6 - 74 / 3

CROSS REFERENCE TO

DISPATCH SYMBOL AND NUMBER: [illegible]

DATE: [illegible] November [illegible]

CLASSIFICATION: [illegible]

HQS FILE NUMBER: [illegible]

CONTINUATION OF DISPATCH	CLASSIFICATION [illegible]	DISPATCH SYMBOL AND NUMBER [illegible]

7. [illegible], [illegible] [illegible].

Throughout the reporting period, Project [illegible] continued to provide the majority of the operational photographs and surveillance reports used in Mexico City Station's operations against the [illegible] installation and personnel. This activity is in direct support of, and in consonance with, the present [illegible] as approved for Mexico City Station. The [illegible] coverage has proved to be a most reliable tool for: following the daily movements of the LIMERICK personnel; providing leads to, and confirming the identities of LIMERICK staffers and their visitors; and verifying the relative rank and position as well as the specific intelligence service connection of various LIMERICK officers. During the period under review, the [illegible] basehouses produced 1[illegible] rolls ([illegible] individual frames and photographs) of operational pictures as well as approximately 675 pages of fixed surveillance reports dealing with this target. In addition, the LIENTRAP mobile photo unit provided 441 photographs of other targets of interest to the Station. Specific examples of the contributions made by each component of Project [illegible] to the fulfillment of the [illegible] follow:

a) LIENTRAP - Throughout this period, the LIENTRAP mobile unit was targeted against leaders and safe-sites of the local communist parties and visiting or exile communists. Specifically, the LIENTRAP unit verified the location of a PCM safehouse, provided up-to-date photographs of numerous individuals of interest to the Station Case Officer directing the communist party recruitment program, and, in addition, regularly serviced [illegible] postal accommodation addresses used by the Station and Headquarters.

b) LIMITED - During the reporting period, LIMITED provided 1,[illegible] frames ([illegible] rolls) of operational film and daily surveillance reports covering the arrival and departure of LIMERICK personnel and visitors at the front gate of the LIMERICK installation during the afternoon and evening hours. In addition, [illegible], the LIMITED basehouse keeper, served as the fixed-radio dispatcher on four [illegible] surveillance operations. The crucial need for the LIMITED fixed-radio dispatching base has been amply explained in previous [illegible] Projects Reports.

c) LILYRIC - During the reporting period, the LILYRIC basehouse produced 1,[illegible] frames (30 rolls) of operational film, covering the same targets noted above in the LIMITED section, but during the morning and early afternoon hours. In addition, LILYRIC prepared a weekly report on the comings and goings of each LIMERICK staffer and contributed the large majority of this project's physical surveillance reports. In addition, LILYRIC provided special reports on: all commercial deliveries made to the LIMERICK installation; the number, description, and apparent assignment of each official LIMERICK vehicle; and reports on construction activity within the installation.

d) LICALLA - During this period, the LICALLA basehouse provided photographic coverage of the garden and patio area of the LIMERICK installation, an area where many of the officers, their families, and visitors congregate. In this effort, LICALLA produced [illegible] individual photographs as well as regular reports on the activities of various LIMERICK officers of special interest to Station Mexico City. In addition, LICALLA is at present preparing a special series of photographs in response to a [illegible] request.

e) [illegible]-4 - Throughout this period, all operational film (166 rolls, 4,0[illegible] frames) provided by the three fixed basehouses as well as the LIENTRAP mobile unit was developed and printed by [illegible]-4. Given the condition of the processing equipment, which is now being replaced, [illegible]-4's finished product was extremely satisfactory.

f) Raymond H. [illegible] - During the reporting period, with the two-week exception noted in paragraph 2, [illegible] served as the full-time cutout to the LIMITED, LILYRIC, and LICALLA basehouses and had the agent handling responsibility for the operators of the LIENTRAP mobile unit as well as [illegible]-4. This assignment involved at least twelve clandestine agent meetings per week as well as the corollary administrative/financial responsibility. [illegible] also made numerous and essential contributions to the sensitive [illegible] operation.

53a USE PREVIOUS EDITION.	CLASSIFICATION [illegible]	CONTINUED	PAGE NO. [illegible]

CONTINUATION OF DISPATCH	CLASSIFICATION: SECRET	DISPATCH SYMBOL AND NUMBER: [illegible]

4. SECURITY AND PROBLEMS.

There have been no known incidents during the period under review, which adversely affected the security of the LIEMPTY project or the related agent personnel. While various minor administrative questions arose, the Station was able to resolve all such matters locally.

5. PLANS AND CHANGES.

a) In response to the Station's request, DIR-50875, dated 16 October 1965 granted a POA to LIEMPTY-26 for use as a cutout to the LILYRIC basehouse. LIEMPTY-26 was met by GARENDE and was used operationally during the absence of the regular LILYRIC cutout, LIEMPTY-13. The PRQ Part II and full OA request pertinent to LIEMPTY-26 will be submitted prior to 15 November 1965.

b) As in the past period, Station plans to continue to emphasize the quality of the LIEMPTY photographic product. To this end, much of the photographic lab equipment is being replaced and discussions are being held with the local KURIOT representative, Hugh T. [illegible], concerning the replacement of the basehouse cameras.

c) Other than noted above, there have been no major administrative, operational, or personnel changes during the reporting period.

for
R L EASBY

3a USE PREVIOUS EDITION

CLASSIFICATION		PAGE NO.
SECRET	[X] CONTINUED	2

14-00000

INDEX: ☐ YES ☐ NO
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FILE RID ☐ RET. TO BRANCH ☐
DESTROY ☐ SIG.

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PERSON/UNIT NOTIFIED

FROM MEXICO CITY

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UNIT TIME BY

INFO FILE, VR, ADDP, C/WH6, C/CI,

S E C R E T 230047Z 1965

DIR CITE MEXI 5135 23 OCT IN 78370

[redacted] TYPIC AMROD LIEMPTY

REF DIR 51315

REF LTR MAILED AS REQUESTED 22 OCT.

S E C R E T *INSTRUCTED MEXI TO MAIL LETTER

CFN 5135 51315 REF LTR MAILED AS REQUESTED 22 OCT

BT

RECORDS OFFICER STAMP

The following action is authorized: De-Report

Signed: [signature]

R.O. #330 - Unit WH/C/RR

Note: If destruction, cite reasons and coordinate if appropriate.

file LIEMPTY 50-6-74 ops

23 OCT 65
50-6-74/3

14-00000

C. Anderson

MESSAGE FORM
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ROUTING			
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ORIG: Charles W. Anderson:new
UNIT: C/WH/C/CA/PA ☐ INDEX
EXT: 4197 ☒ NO INDEX
DATE: 2 September 65 ☒ FILE IN CS FILE NO. 201-20481

SECRET

TO: MEXICO CITY

2 SEP 65 20 06z

FROM: DIRECTOR

CONF: DC/WH/C 5 INFO: VR, FILE ☒ RID COPY, ADDP, C/WH 6, C/CI, C/FI 2

RECORDS OFFICER STAMP
authorized: [signature]

SIG CEN

TO MEXI INFO CITE DIR 40022

Signed: [signature]
R.O. #C30 - Unit [signature]
Note: If destruction, cite reasons and coordinate if appropriate.

[redacted] TYPIC AMROD LIEMPTY

REF MEXI 4616 (IN 43897)

1. AGREE SUSPENDING PO BOX SERVICING FOR TIME BEING BUT DESIRE VISUAL CHECK OF NONOALCO BOX 10 OR 11 SEPTEMBER. 1965

2. PLEASE HOLD ALL LETTERS FROM THAT BOX TILL URQUHART ARRIVAL.

3. DESIRE COMMENTS ON COUNTERSURVEILLANCE AT TIME LIEMPTY-10 SERVICED NONOALCO 25 AUGUST.

4. ASSUMING L-10 POSSIBLY IDENTIFIED AT THAT TIME AND NOW UNDER SURVEILLANCE DESIRE HE MAKE DAILY VISITS GOBERNACION AND PROCURADURIA DEL DF BEGINNING SOONEST. HE TO TRY GIVE IMPRESSION HE LOOKING TO MEET SOMEONE OR WAITING FOR APPOINTMENTS.

5. WISH STAFFER, PEUVION IF POSSIBLE, VISIT NONOALCO PO BOX SECTION TO SEE IF LETTERS SIMILAR TO THOSE RETRIEVED 25 AUGUST ARE VISIBLE IN ANY OTHER BOXES.

6. WHAT WAS DATE STAMPED ON THE 25 AUGUST LETTER THAT WAS NOT MARKED "LIBRE DE PORTE?"

7. HISTORY OF LOST TEST LETTERS PLUS INCIDENT REPORTED IN REF INDICATES NONOALCO BOX UNSUITABLE FOR AMROD OP. REQUEST LIEMPTY

RELEASING OFFICER 2-9 COORDINATING OFFICERS SECRET GROUP 1 Excluded from automatic downgrading and declassification AUTHENTICATING OFFICER

25 Sep 65
50-6-74/3
COPY NO.

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UNIT : ☐ INDEX
EXT : ☐ NO INDEX
DATE : ☐ FILE IN CS FILE NO.

SECRET

TO :

FROM: DIRECTOR

CONF: INFO: VR , FILE ☐ RID COPY

PAGE TWO

TO INFO CITE DIR 40022

ASSET GET ASAP NEW BOX IN A PO NOT SO FAR ASSOCIATED WITH AMROD, USING FALSE NAME AND ADDRESS. WOULD PREFER BOX AT MAIN PO IF POSSIBLE. AGENT MAY HAVE TO MAKE GIFT TO HEAD OF PO STATION OR SUBSTATION IF BOXES IN SHORT SUPPLY.

END OF MESSAGE

William V. Broe
C/WHD

DC/WH/C/CA

WH/1. (Mrs. Bustos in draft)

John T. Flynn
ADC/WH/C

RELEASING OFFICER — COORDINATING OFFICERS — AUTHENTICATING OFFICER

SECRET

GROUP 1 Excluded from automatic downgrading and declassification

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CLASSIFICATION	SECRET
TO	Chief, WH Division
INFO.	
FROM	Chief of Station, Mexico City

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	MICROFILM

SUBJECT
Project LIEMPTY/Progress Report 1 May through 31 July 1965

ACTION REQUIRED - REFERENCES

References: A. HMMA-26027, 5 May 1965
B. HMMA-26243, 4 June 1965
C. MEXI-4167, 16 July 1965
D. MEXI-4248, 26 July 1965

1. REPORTING AND BACKGROUND.

The last regularly scheduled LIEMPTY progress report covering the period 1 February through 30 April 1965 was forwarded as reference A. Significant interim developments and activities were included in references B through D. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors, as well as various targets of opportunity, through the daily photographic and fixed surveillance coverage provided by the LIMITED, LILYRIC, and LICALLA photographic basehouses and the frequent use of the LIENTRAP mobile photo unit. In addition, this project provided other essential operational support to various Station and Headquarters activities through the utilization of the services of long-time contract agent Raymond H. GERENDE.

2. AGENT CONTACT AND COMMUNICATIONS.

a) On 22 May 1965, the Principal Agent for Project LIEMPTY, Raymond H. GERENDE, departed Mexico for a two month period of well-deserved vacation. As per pre-planned arrangements, GERENDE's operational, administrative, and agent-handling tasks were turned over as follows:

To Oliver G. SCANTLING (P): Agent handling and funding of the LIMITED, LILYRIC, and LICALLA basehouses and the LIENTRAP mobile unit;

To the LIEMPTY Case Officer - agent handling and funding of the LIEMPTY photo-lab/dark room; and the local AMROD responsibility.

SCANTLING was chosen for this turn-over and the accompanying workload since he had previously handled all but one of the agents involved and because he was familiar with the objectives and overall modus operandi of the LIEMPTY project. The above noted operational assignments will again be levied on GERENDE upon his return to Mexico in early August 1965.

Continued...

Distribution:
3 - C/WHD

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50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-2[illegible]	[illegible] August 1965
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

b) Prior to [illegible]'s departure, he was seen by the undersigned [illegible] times in regular, operational meetings. After that date, Oliver G. [illegible] was seen on twenty-five occasions and [illegible] (the photo-lab/basehouse keeper) nineteen times by the undersigned in connection with the operational agent meeting requirements of this project. [illegible] in turn [illegible] with each base-house keeper and with the LIEMPTY operator twice weekly. All meeting times and sites were rotated regularly during the period under review, and no basic departures (other than noted above) were made from the standard modus operandi of the LIEMPTY project.

3. ACCOMPLISHMENTS, PROGRESS, ACHIEVEMENTS.

Throughout the reporting period, Project LIEMPTY continued to provide the majority of the operational photographs and surveillance reports used in Mexico City Station's operations against the LIMERICK installation and personnel. This coverage has proved to be a most reliable and viable tool for: following the daily movements of the LIMERICK personnel; providing and confirming the identities of LIMERICK staffers and their visitors; and verifying the relative rank and position as well as the specific intelligence service connection of various LIMERICK officers. During the period under review, Project LIEMPTY produced 160 rolls (3,833 frames) of operational photographs as well as approximately 700 pages of fixed, physical surveillance reports dealing with this target. In addition, LIEMPTY produced 203 operational photographs of other targets of interest to Station Mexico City. Specific examples of the contributions made by each component of Project LIEMPTY to the fulfillment of the relevant portions of the Station's Related Missions Directive, follow:

a) LIEMTRAP - Throughout this period, the LIEMTRAP mobile photo unit was targeted against leaders and installations of the Partido Comunista Mexicano (PCM), visiting communist leaders, and other targets of special operational interest. Specifically, the LIEMTRAP unit verified the current addresses and provided up-to-date photographs of two prominent Nicaraguan communists exiled in Mexico; photographic coverage of an Embassy of interest to KUTUBE/D for use in operational planning; and provided photos of the individuals and an installation linked with the local Spanish Republic Royalists. LIEMTRAP produced a total of 203 operational photographs and regularly serviced seventeen postal accommodation addresses used by the Station and Headquarters.

b) LIMITED - During the period covered by this report, LIMITED produced fifty-seven rolls (1,0[illegible] frames) of operational photographs and regular surveillance reports covering the daily arrival and departure of LIMERICK personnel and their visitors at the front gate of the installation in question, during the afternoon and evening hours. In addition, LIEMPTY-6, the LIMITED basehouse keeper served as the fixed radio-dispatcher for three LIEMBRACE surveillance operations targeted against LIMERICK IS officers as well as serving as the spotter and dispatcher for five LIEMBRACE surveillances directed against PBPRIME nationals who visited the LIMERICK installation (see MEXI-4247, MEXI-4248, and MEXI-4250, all dated 26 July, for details).

c) LILYRIC - During the reporting period, the LILYRIC base produced sixty-three rolls (1,652 frames) of operational film, for the same purposes as noted above in the LIMITED section, during the morning and early afternoon hours. In addition, LILYRIC prepared a weekly report on the comings and goings of each LIMERICK staffer and contributed the large majority of the project's physical surveillance reports. Finally, LILYRIC provided special reports on all commercial deliveries made to the LIMERICK installation.

d) LICALLA - During this period, the LICALLA base provided photographic coverage of the garden and patio area of the LIMERICK installation, an area where many of the officers and their families congregate. In this effort, LICALLA produced forty rolls (1,110 frames) of operational photographs which were most useful to the Station in determining or confirming the intelligence service affiliation of various LIMERICK staffers. On 2[illegible] May 19[illegible], Harvey C. [illegible] and Joseph N. [illegible] made movie and audio tests from the LICALLA base in support of local and Headquarters operational planning (see reference B. for details).

4. SECURITY AND PROBLEMS.

There have been no known incidents during the reporting period which have

adversely affected the security of the LIEMPTY project or the related agent personnel. While various minor administrative and personnel problems arose, the Station was able to resolve all such problems locally.

5. PLANS AND CHANGES.

a) Station Mexico City plans to have Raymond H. GERENDE reassume the agent-handling and administrative responsibilities that he previously had, upon his return to Mexico in early August 1965. As previously noted in reference A, SCANTLING has been removed from the aegis of Project LIEMPTY and integrated into the LIRAZOR project.

b) Other than noted above, no major administrative or operational changes are planned for the ensuing period.

for Willard C. CURTIS

14-00000

DISPATCH

CLASSIFICATION: SECRET

PROCESSING ACTION
- MARKED FOR INDEXING
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TO: Chief, WH Division

INFO.

FROM: Chief of Station, Mexico City

SUBJECT: Project LIEMPTY/Progress Report 1 February - 30 April 1965

ACTION REQUIRED - REFERENCES

Reference: A. HMMA-25352, 10 February 1965
B. HMMA-25536, 11 March 1965
C. MEXI-3138, 19 April 1965
D. MEXI-2892, 24 March 1965
E. MEXI-2727, 8 March 1965

1. REPORTING AND BACKGROUND.

The last regularly scheduled LIEMPTY Progress Report covering the period 1 November 1964 through 31 January 1965 was forwarded to Headquarters as reference A. Significant interim developments and achievements of LIEMPTY were included in references C. through E. The Project Outline for LIRAZOR, which when approved, will provide for the maintenance of long-term contract agent Oliver G. SCANTLING who is now carried under Project LIEMPTY, was submitted for headquarters approval with reference B. Throughout the period under review, Project LIEMPTY continued to collect operational information on the LIMERICK installation, the LIMERICK personnel and their visitors, as well as various targets of opportunity, through the daily photographic coverage provided by the LIMITED, LILYRIC, and LICALLA photographic basehouses and the frequent use of the LIEMTRAP mobile photographic unit. In addition, this project provided other essential operational support to various Station and Headquarters activities through the utilization of the services of long-time contract agents Raymond H. GERENDE and Oliver G. SCANTLING.

2. AGENT CONTACT AND COMMUNICATION CHANNELS.

During the reporting period, the primary LIEMPTY principal agent, Raymond H. GERENDE was seen forty-two (42) times in operational meetings by the undersigned, while principal agent Oliver G. SCANTLING was seen twelve (12) times. Other than frequent and intentional variations in meeting times and sites, no changes were made in the Project's communication systems. All operational contact with the action/sub-agents of the LIEMPTY Project was maintained through Raymond H. GERENDE.

continued...

Distribution:
3 - C/WHD

CS COPY

50-6-74/3

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE
	HMMA-26027	5 May 1965
	CLASSIFICATION: SECRET	HQS FILE NUMBER: 50-6-74/3

3. ACCOMPLISHMENTS, PROGRESS, AND ACHIEVEMENTS.

Throughout the reporting period, Project LIEMPTY continued to produce the majority of the operational photographs used in Station Mexico City's KUDOOK operations against the LIMERICK target. This coverage has proved to be a reliable and viable tool for: following the daily movements of the LIMERICK personnel; providing and confirming identities of LIMERICK staffers and their visitors; and verifying the relative rank and positions as well as the intelligence service connections of various LIMERICK officers. Specific examples of the contributions of each LIEMPTY Project component to the fulfillment of the Related Mission Directive, as approved for Mexico City Station, follow:

a) LIENTRAP - Throughout the reporting period, the LIENTRAP mobile photographic unit was targeted extensively against the leaders and installations of the Partido Comunista Mexicano, the Partido Popular Socialista, and other exile or visiting communist leaders. In mid-April 1965, the LIENTRAP unit provided an up-to-date photograph of ESLIME-1 which was passed to a visiting KUBARK staffer for his use in the recruitment attempt of ESLIME-1. Not only did this photograph serve as a means of identifying the target for the recruiter, but also served as bona fides for the recruiter during the successful recruitment of this communist/exile guerrilla. (See reference C. for details.) Overall, the LIENTRAP unit produced 49 rolls of 35 mm film which will be or have been used in support of planned recruitment attempts, and in providing identifications, locations or contacts of various targets of interest.

b) LICALLA - During the period under review, the LICALLA installation provided photographic coverage of the garden and patio area of the LIMERICK installation, where many of the personnel congregate. In this effort, LIEMPTY-9, the LICALLA basehouse keeper provided 52 rolls of 35mm still photographs which were most useful to the Station in determining or confirming the intelligence service affiliation of various LIMERICK staffers by their constant association and conversations with other known intelligence officers. In addition, LICALLA provided special physical surveillance reports on all deliveries made to the LIMERICK installation, the presence of suspect audio technicians, and the changes in the patterns of activity of various LIMERICK personnel. On 23 March, Dudley R. GHASTER, KURIOT specialist, entered LICALLA for an on-site survey in support of a sensitive technical operation being planned by the Station and Headquarters. (See reference A, paragraph 3, e. and reference D. for details.)

c) LIMITED - During the reporting period, LIMITED provided 57 rolls of operational film and daily surveillance reports covering the arrival and departure of LIMERICK personnel and visitors at the front gate of the LIMERICK installation during the afternoon and evening hours. In addition, LIEMPTY-6, the LIMITED basehouse keeper, served as the fixed radio dispatch base for five LIEMBRACE surveillance operations covering known or suspect LIMERICK intelligence officers or their contacts. Because of the protective security provided to the LIMERICK installation by local "Services" it would be impossible to provide LIEMBRACE surveillance of LIMERICK staffers without the LIMITED radio dispatching. LIMITED (as well as LILYRIC) also provided confirmation of the visit of subject of reference E (a PBPRIMEr in contact with a LIMERICK intelligence officer) to the LIMERICK installation. (See reference E. for details.)

d) LILYRIC - During the period covered by the report, LILYRIC produced 73 rolls of operational film covering the comings and goings of LIMERICK personnel and visitors to that installation during the morning and early afternoon hours. In addition, LIEMPTY-14, the LILYRIC basehouse keeper, provided approximately 300 pages of physical surveillance reports, covering the movements of LIMERICK personnel.

e. Oliver G. SCANTLING - SCANTLING was married in mid-February and honeymooned until late March; consequently, SCANTLING was "out of action" for approximately one-half of the reporting period. During the remainder of this period, however, SCANTLING continued as the alternate contact of LICASA-1, the principal agent in the LICASA LAURICLE operation, as well continuing to handle the PBRUMEN access agent he had recruited in January 1965 (see reference A, paragraph 3). In addition, at Headquarters' request, SCANTLING re-cased the United Arab Republic Embassy in support of a sensitive operation now in the planning stage.

f) Raymond H. GERENDE - Throughout this period, GERENDE continued as the Station's full-time cutout to the LIMITED, LICALLA, and LILYRIC basehouses as well as maintaining the cutout/agent handling responsibility for the LIENTRAP mobile photo unit and the LIEMPTY photographic-processing basehouse. GERENDE again made numerous and essential contributions to the sensitive AMROD operation as well as servicing numerous postal accommodation addresses.

4. SECURITY.

There have been no known incidents during the reporting period which have adversely effected the security of the LIEMPTY project. Various refinements have been made in the cover story to be used (if necessary) to explain the relationship between the case officer and GERENDE. (See also paragraph 2 re: meeting times and sites.)

5. PLANS AND CHANGES.

a) As noted in reference A. it had become obvious that many of the operational assignments levied on Oliver G. SCANTLING were falling outside the proper scope of Project LIEMPTY; consequently a new Project was prepared to cover the Station's relationship with SCANTLING. This Project Outline (Project LIRAZOR) was submitted for Headquarters' approval with reference B. and SCANTLING will be removed from the aegis of Project LIEMPTY upon receipt of Headquarters' approval of LIRAZOR.

b) GERENDE plans to take a well-deserved vacation from late May through July 1965. Station intends to have SCANTLING handle the photographic basehouses and the LIENTRAP unit (since SCANTLING is already witting of all but one of those LIEMPTY agents) while the LIEMPTY Case Officer will handle LIEMPTY-4 and the photographic basehouse.

c) Other than noted above, there are no major administrative or operational changes planned for the ensuing period.

Cornelius L. Pennison
for
Willard C. CURTIS

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FROM Mexico City

ACTION C/WH 2

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UNIT TIME BY

INFO VR. FILE, *Add P, C/FI, C/FI/D, C/TSD-2, D/DC-2

S E C R E T 091920Z

DIR CITE MEXI 2732 EASBY ACTING

9 MAR 65 - IN - 1934

LIMESA LIMOUSINE

REF HMMA 25310

1. LIMOUSINE REPORTS CONSTRUCTION WILL BEGIN ANY DAY ON NEW LIMITED HOUSE. AWAITING LAST OF GOM PERMITS. LIFEUD-6 HAD ALREADY SPOKEN TO LIMOUSINE BOOKKEEPER ABOUT POSSIBILITY RENT ONE OF NEW APARTMENTS.

2. IN TRYING TRANSFER FIDEO COMISO FROM NOW DEFUNCT BANCO DE LA PROPRIEDAD DE LA INDUSTRIA TEXTIL TO ANOTHER BANK, LIMOUSINE DISCOVERED BANKS NOW NOT ACCEPTING THIS TYPE FIDEO COMISO. HENCE HE OBLIGED TO TAKE DIRECT TITLE TO PROPERTY. TITLE TRANSFER CHARGES BASED ON PERCENTAGE OF PROPERTY VALUE AND HE MUST PAY ALMOST 22,000 PESOS TO HACIENDA. OWING REAL ESTATE COMMITMENTS AND CASH OUTLAY ON LIMITED BUILDING, HIS CASH POSITION SHORT. ASKS IF CAN DELAY INITIAL PAYMENT OR 45,000 PESOS 90 DAYS.

3. RECOMMEND HQ APPROVAL.

S E C R E T

CFN *Dissem Applicable To RYBAT, Limesa Limust [Dissem inserted]

file Limousine - 201

make afor LIMITED Liempty/100

SECRET

14-00000

C. Bustos
WH/1
4606, 4507
15 Jan 65

MESSAGE FORM

SECRET

☐ INDEX
☐ NO INDEX
☐ FILE IN CS FILE NO

ROUTING 1 2 3 4 5 6 7 8

TO: MEXICO CITY

FROM: DIRECTOR

CONF: WH 8 INFO: OGC 2, CI 4, DDS, BPA, VR, FILE

~~IMMEDIATE~~ PRIORITY

TO MEXI (PP10R174) INFO CITE DIR 77743

REF: MEXI 2159 (IN 58393)*

1. APPROVAL GRANTED SELL TO LIMOUSINE LIMITED PROPERTY UNDER ~~XXXX~~ TERMS OUTLINED PARA ONE REF.

2. PROCEED AS FOLLOWS:

A. LIMOUSINE TO DRAW UP LEASE WITH APARTMENT OCCUPANT FOR THREE YEARS WITH RENTAL AT 2,300 PESOS PER MONTH, WITH FOLLOWING ADDITIONAL PROVISOS:

(1) OPTION TO RENEW FOR SUCH ADDITIONAL PERIODS YOU SEE FIT WITH RENTAL ESTABLISHED BASED ON NEGOTIATIONS CONSISTENT WITH RENTALS PAID BY OCCUPANTS OTHER APARTMENTS.

(2) PROVISO BINDING LIMOUSINE'S SUCCESSORS AND ASSIGNS.

B. DRAW UP SEPARATE CONTRACT WITH LIMOUSINE OUTLINING AGREEMENT PARA ONE REF AND FORWARD SIGNED COPY HQS. AGREEMENT SHOULD PROVIDE FOR CREDIT RENTAL OFFSET TO KUBARK BY LIMOUSINE PLUS RETURN TO KUBARK OF ANY MONTHLY RENTAL PAYMENTS MADE BY APARTMENT OCCUPANT TO LIMOUSINE FOR PERIOD FREE RENTAL IF SUCH IN FACT MADE. ALSO DETERMINE WHAT WILL HAPPEN RENTAL OFFSET AGREEMENT SHOULD LIMOUSINE RETIRE, DIE OR PROPERTY LEAVE HIS CONTROL

END OF MESSAGE

(See page 2)

RELEASING OFFICER COORDINATING OFFICERS AUTHENTICATING OFFICER

SECRET

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MESSAGE FORM

SECRET

ROUTING

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ORIG :
UNIT :
EXT :
DATE :

☐ INDEX
☐ NO INDEX
☐ FILE IN CS FILE NO.

TO : MEXICO CITY

PAGE # 2

~~IMMEDIATE~~ PRIORITY

FROM: DIRECTOR

CONF: INFO

TO INFO CITE DIR 17743

*WH Comment: LIMOUSINE AGREES PAY $12,000 FOR LIMITED, 60% IN CASH, REMAINDER WITHIN THREE YEARS. NEED REPLY BEFORE COB 15 JANUARY.

WH/LOG J. Jwisniewski

OL/RECD/Ed ~~Dennison~~

OL/Warfield

OGC/Connell (phone) see OGC 65-0119

WH/PO/A

DESMOND FITZGERALD
CHIEF, WHD

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W. J. KAUFMAN
C/WH/1

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2
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Copy No.

SECRET

OCC 65-0119

14 JAN 1965

MEMORANDUM FOR: Director of Logistics

ATTENTION: Mr. Edward Denison

SUBJECT: LIEMPTY, LIMOUSINE

REFERENCE: Mexi 2159

1. In conversation with the Headquarters officer concerned with LIEMPTY LIMOUSINE affairs, this Office was apprised of the fact that the proposed transaction, outlined in reference cable, would be executed without recourse to advice on the legal aspects of the sale under Mexican law and with no intention to make LIMOUSINE's commitment to this Agency legally binding. It is further intended that LIMOUSINE's "promissory notes" be unsecured.

2. Should the proposed transaction be carried out in this manner, this Agency would be unable to enforce LIMOUSINE's promise to pay his debt, and would have no legally cognizable instrument to present to an executor of his estate should he die before meeting his obligations to us. In addition, our right to continued possession of the apartment would be tenuous at best.

3. Thus it is planned to convey real estate appraised at $14,448 in exchange for $7,200 and a collection of unenforceable, unsecured promises. It is hard to believe that in this case, operational security precludes closer protection of Agency assets.

/s/ Peter J. Connell

PETER J. CONNELL
Office of General Counsel

cc: C/WH/1
Operations Officer

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ACTION WH 8

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INFO VR. FILE, 0L4, C... 2, BPA

SECRET 1219[illegible]

12 JAN 65 [illegible] 58393

DIR CITE MEXI 21[illegible]

LIEMPTY LIMOUSINE

REF DIR 74928

1. LIMOUSINE AGREED FOLLOWING TERMS:

A. TOTAL PURCHASE PRICE OF [illegible] DOLLARS PAYABLE IN PESOS. SIXTY PERCENT IN CASH.

B. 50,000 PESOS [illegible] ON BEGINNING CONSTRUCTION (ABOUT 15 FEB).

C. BALANCE CASH PAYMENT ON COMPLETION CONSTRUCTION (AROUND 1 JULY).

D. BALANCE OF 50,[illegible] PESO DEBT REPAYABLE WITHIN 3 YEARS FROM COMPLETION CONSTRUCTION.

E. AS PARTIAL [illegible] PAYMENT ABOVE AMOUNT, RENT OF 2300 PESOS MONTHLY TO BE [illegible] FIRST THREE YEARS. RENTAL RATE NOT TO CHANGE DURING THIS TIME AND THEREAFTER AT RATE NO DIFFERENT FROM OTHER APARTMENTS SAME [illegible] FOR PERIOD 10 YRS OR UNTIL KUBARK TERMINATES ARRANGEMENT.

2. LIMOUSINE PREFERS CLEAN TRANSACTION UP SOON AS POSSIBLE AND HOPES PAY OFF [illegible] WITHIN FIRST YR.

3. LENGHT TERM KUBARK OPTION ON PROPERTY NOT SPECIFICALLY AGREED WITH LIMOUSINE, BUT NO REASON BELIEVE HE WOULD

SECRET

Liempty/ops

SECRET

14 5Y393 97

NOT AGREE TO ANY TERM WE STIPULATE. ONLY JOKER MAY BE LENGTH TIME HE REMAINS ACTIVIE IN FIRM AS HE NOW 65.

4. REQUEST HQ COMMENTS BY 15 JAN AS WOULD LIKE BE ABLE START DEMOLITION BEFORE HE LEAVES FOR U.S. 17 JAN.

SECRET

CFN

SECRET

14-00000

MESSAGE FORM

ORIG : [illegible]
UNIT : [illegible]/1
EXT : 4507
DATE : 31 December 1964

☐ INDEX
☐ NO INDEX
☐ FILE IN CS FILE NO.

SECRET

ROUTING

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TO : MEXICO CITY

FROM: DIRECTOR

CONF: WH-8

INFO OGC-2, OL-4, BPA, VR, File

ROUTING

SIG CEN

74920

TO MEXI INFO. CITE DIR 74920

LIMITY LIMOUSINE

REF: MEXI 2025 (IN 48408) *

1. NINE TO TWELVE THOUSAND DOLLARS CONSIDERED REASONABLE NEGOTIATION LIMITS WHICH INCLUDES DISCOUNT.

2. REEMPHASIZE PREFERENCE LUMP SUM PAYMENT AND ENSURE OCCUPANCY RETENTION RIGHTS.

3. IF LUMP SUM PAYMENT NOT POSSIBLE CLOSING SALES PRICE SHOULD BE NEAREST TO UPPER LIMIT WITH BULK/AS DOWN PAYMENT (MINIMUM 60%) AND REMAINDER THROUGH WITHHOLDING MONTHLY PAYMENTS OF AGREED LIMITED RENT AS MEANS PARTIAL ENFORCED PAYMENT.

4. ADVISE BEFORE CLOSING. PESOS ACCEPTABLE.

END OF MESSAGE

* STA Needs Clear Indication HQS Limitation For Negotiation.

WH/LCG J. Juleniewski

OL/[illegible] Bill [illegible]/John Stephens

OL

OGC

DESMOND FITZGERALD
C/WHD

W. J. KAUFMAN
C/WH/1

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FROM MEXICO CITY

ACTION WH 8

INFO VR, FILE, DDP, BPA

SECRET 232247Z

DIR CITE MEXI 2825

LIEMPTY LIMOUSINE

REF DIR 72229

Log

23 DEC 61 IN 48408

1. WHILE CANNOT PREDICT HOW LIMOUSINE WILL REACT TO REF, STATION NEEDS CLEAR INDICATION HQ LIMITS FOR NEGOTIATION. WOULD PREFER HAVE THIS PRIOR DISCUSSION REF WITH HIM. HE AND STATION UNDERSTAND MUST CLEAR FINAL AGREEMENT WITH HQ PRIOR PROCEEDING, BUT WISH AVOID HAVING TO BOUNCE SERIES OF PROPOSALS OFF HQ.

2. REQUEST HQ PROVIDE STATION WITH SOME LIMITS ON "LOWER SALE PRICE" WILLING ACCEPT ALSO ON WHAT IS CONSIDERED REASONABLE DISCOUNT RATE. HQ CAN BE SURE STATION WILL GET BEST DEAL POSSIBLE. PRESUME BY "OFFSET AGAINST MONTHLY RENTAL AGREEMENT" HQ MEANS WITHHOLDING AGREED LIMITED RENT AS MEANS PARTIAL ENFORCED PAYMENT.

SECRET

SECRET

14-00000

MESSAGE FORM 17

SECRET

ORIG: C. Bustos-Videla:jah
UNIT: WH/1
EXT: 4507
DATE: 18 Dec 1964

☐ INDEX
☐ NO INDEX
☐ FILE IN CS FILE NO.

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4 | 8

TO: Mexico City

FROM: DIRECTOR

CONF: WH 8

INFO: OL 4, BPA, OGC 2, File, VR

18 DEC 64 23 40z

PRIORITY

TO MEXI INFO: CITE DIR 72229

REF: MEXI 1898 (IN 41069)

LIEMPTY LIMOUSINE

1. HQS APPROVES/SALE LIMITED PROPERTY TO LIMOUSINE ~~XXXXXXXXXXXXXX~~ NEGOTIATION ~~NECESSITY AND ACCOMODATION TO KUBARK OVERRIDING KUBARK FINANCIAL XXXXXXXXXXXXXXXXXXXXXXXXX~~ ALONG THE FOLLOWING LINES:

A. KUBARK INTERESTS BE PROTECTED TO UTMOST WITH LIMOUSINE ASSURANCES KUBARK WILL CONTINUE HAVE OCCUPANCY RETENTION RIGHTS. ASSURANCE MAY REQUIRE SEPARATE LONG TERM RENTAL/LEASE AGREEMENT WITH KUBARK RESERVING RIGHT CANCEL ANYTIME. HQS REALIZES FIXED RENTAL PRICE NOT FEASIBLE UNDER LONG TERM LEASE AND THEREFORE LEASE COULD PROVIDE FOR INITIAL FIXED RENTAL WITH A SLIDING SCALE ADJUSTMENT THEREAFTER.

B. SINCE PROMISSORY NOTE FOR 180,600 PESOS WOULD BE UNSECURED WITH FINAL PAYMENT NOT DUE UNTIL JAN 1972, HQS PREFERS TOTAL PAYMENT FOR LIMITED AT OUTSET RATHER THAN WAIT 6½ YEARS.

C. REALIZING LIMOUSINE'S POSSIBLE FINANCIAL STRAIN MAKE SUCH LARGE PAYMENT INITIALLY, HQS WILLING ACCEPT LOWER SALE PRICE AT REASONABLE DISCOUNT RATE. IF LIMOUSINE UNABLE LIQUIDATE WITH ONE

CONTINUED ------------------

LIEMPTY 4/19P

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UNIT:
EXT:
DATE:

☐ INDEX
☐ NO INDEX
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TO:

FROM: DIRECTOR

PAGE TWO

PRIORITY

CONF:

INFO

TO

INFO:

CITE DIR 72225

LUMP SUM PAYMENT AT ENHANCED REDUCED PRICE, WILL ACCEPT COMBINATION PAYMENT AT REDUCED RATE WITH GREATER PORTION PAYABLE AT SETTLEMENT AND REMAINDER AS OFFSET AGAINST MONTHLY RENTAL AGREEMENT.

2. HQS FEELS ABOVE PROVISOS IMPORTANT AVOID SUBSEQUENT IMPLICATIONS AND POSSIBLE FUTURE TOTAL LOSS EVENT LIMITED SUBSEQUENTLY PASSES FROM LIMOUSINE'S OR HIS ESTATE'S CONTROL.

3. ADVISE TERMS FOR FINAL APPROVAL CONCLUDING AGREEMENT.

END OF MESSAGE

WH/Log/McMahon (draft)

OL/RECD/John Stephens (draft)

OL/RECD/Dennison (phone)

DESMOND FITZGERALD
CHIEF WHD

W. J. KAUFMAN
CHIEF WH/1

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CLASSIFIED MESSAGE

SECRET

DATE : 24 OCT 62

TO : DIRECTOR

FROM : MEXICO CITY

ACTION: C/WH 5 (C/WH TEMPO COPY SLOTTED 0300, 25 OCT) WCJ

INFO : DD/P, ADDP, DDP/SIT 3, C/SOD 3, C/CA 2, C/CA/O 2, C/CI, C/FI 2, C/FI/D, C/FI/INT, C/IW 2, C/SR 4, C/TFW 5, DD/I, S/C 2

ROUTING	
1	4
2	5
3	6

OCT 25 0432Z 62

PRIORITY

IN 45628

PRITY DIR CITE MEXI 2292

[redacted] LIEMPTY-3

REF A DIR 43984 out 89913

B DIR 43877 out 89777

23 OCT SUBJ MET SOV COMMERCIAL OFFICE EMPLOYEE VALERIY ALEKSANDROVICH ANDRIANOV AND ELICITED FOLL RE CURRENT CUBA SITUATION: ANDRIANOV SAID HAD READ PRESIDENT KENNEDY'S DECLARATION BUT DID NOT THINK THERE WOULD BE WAR. ELABORATELY DENIED THAT CUBA HAS SOV MISSILES, SAID PHOTOS OF SAME FABRICATED AND FOR PROVOCATIVE PURPOSES. SAID KHRUSHCHEV WOULD ANSWER PROVOCATION, HOWEVER NOT WITH MISSILES BUT WITH WORDS, JUST WORDS, NOBODY WANTS WAR. ANDRIANOV CONCLUDED WITH MARXIST LINE THAT SOVS DIDN'T NEED WAR, THAT COURSE OF HISTORY HAS SEEN DOWNFALL OF FEUDALISM, THAT DOWNFALL CAPITALISM INEVITABLE AND SOCIALISM WILL SECCEED.

RECORDS OFFICER STAMP

The following action is authorized: [illegible]

Signed: [illegible]

R.O. [illegible] - Unit [illegible]

Note: [illegible] if appropriate.

END OF MESSAGE

50-6-74/3

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50-6-74/3

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SECRET

ORIG : MELVIN BECK
UNIT : SR/10/LA
EXT : 2733
DATE : 24 January 1962

1611

FILE: LIEMPTY/3

ROUTING

26 JAN 62 21 08z

TO : MEXICO
FROM: DIRECTOR
CONF: SR 6
INFO: CI, CI/OPS, CI/IC 2, CI/OA, FI, FI/INT 2, WH 7, S/C 2

SIG CEN
DEFERRED
X ROUTINE

OUT94732

TO MEXI INFO CITE DIR 37936

REDWOOD REDSKIN

REF: MEXI 9880 (IN 13260)*

1. HQS WILL AUTHORIZE FUNDING SALAZAR PER PARA 2 REF, PROVIDED PROOF CAMPOS TRIP PATON WELDING INSTITUTE PAID FOR BY SOVS AND SALAZAR ACTUALLY INVITED PARTICIPATE, AND FUNDING SALAZAR CAN BE PLAUSIBLY ACCOUNTED FOR EYES OF CAMPOS AND OTHER BUSINESS ASSOCIATES.

2. DUE ATTITUDE CAMPOS, AND CERTAINTY HIS CORRESPONDENCE TO USSR KNOWN TO KGB, BELIEVE ADVISABLE FURTHER ASSESS HIS SECURITY. SAME VEIN, AVOID NECESSITY INDIRECT CONTRIBUTION CAMPOS EXPENSES.

3. PLS FORWARD DETAILS SALAZAR RECRUITMENT. REFER HMMW 10395 ADDITIONAL DETAILS HQS GUIDANCE OP, INCLUDING WITHHOLDING REQUIREMENTS WELDING INSTITUTE PENDING CLARIFICATION RECRUITMENT. EXTENDING POA'S SALAZAR AND CAMPOS.

END OF MESSAGE.

Hmma-18236

SR COMMENT: * Request hqs decision whether station proceed with op, assuming necessity to entirely fund SALAZAR expenses.

LIEMPTY/3

SR/COP

WH/3/Mexico
COORDINATING OFFICERS

CWH McWilliams
RELEASING OFFICER

ACSR/10
AUTHENTICATING OFFICER

SECRET

 Copy No.

SECRET

Chief of Station, Mexico City

Chief, SR via Chief, WH

Operational/AMSTAIR
Francisco CAMPOS Herrera and Guillermo SALAZAR Polanco

Action Required: See Para 5
REF: HMMA 16036

1. The prospective AMSTAIR trip of above Subjects was discussed with Gerald F. GRIENER at Headquarters in light of the current AMSTAIR policy which is in the process of being formulated. We are still very much interested in Subjects' trip and agree with GRIENER that SALAZAR appears to be the principal target, rather than CAMPOS. However, we wish to note that the underwriting of the trip for SALAZAR is contingent on the fact that he and CAMPOS will spend a period of time at the Institute in a capacity other than that of a sightseeing tourist. If at all possible, it would be useful to determine the exact nature of the invitation made by the Soviets to CAMPOS in late 1960 and the manner in which the inclusion of SALAZAR was broached to the Soviets. It is noted that the letters forwarded as attachment to HMMA-16709 do not indicate that an invitation was been extended.

2. There are requirements of intelligence interest on the Electro-welding Institute imeni Paton in Kiev which Subjects, because of their qualifications and technical knowledge, may well be able to fulfill. The Institute is the major center for welding research in the USSR. It has been identified in overt Soviet literature as having solved problems of mechanical arc welding with a flux of austenitic steel which is resistant to great heat, acidity, and rust. This was reportedly in connection with the development of contemporary rocket engineering. The Paton Institute undoubtedly is engaged in solving problems related to welding in guided missile technology.

CONTINUED

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1? Jan 1962

25 JAN 1962

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1 - WH/MR
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AC/SR/10

WH/3

Item 13

CS

3. The below are preliminary specific requirements on the Paton Institute which will be supplemented at a later date if the operation materializes. They may assist the case officer in assessing Subjects' potential to fulfill requirements of this nature.

a. Obtain information concerning new welding apparatus for, as well as new applications of, the following welding and cutting technology:

(1) Electron beam-welding or cutting
(2) Friction welding
(3) Ultrasonic welding for fine wire and thin strips - exotic metals
(4) Explosive welding
(5) Plasma arc - as used in cutting, coating and welding operations
(6) Vacuum chambers associated with welding

b. What types of automatic welding equipment, using an inert gas such as argon, has the Paton Institute developed? Give any details concerning these equipments such as model designation, characteristics, when and by whom designed and where the equipment was sent.

c. Is the Paton Institute working on the solution of problems related to the welding of special alloys, particularly aluminum, titanium, and stainless steel? Which laboratories of the Institute are working on these problems? Who are the engineers and designers working on these problems? (Two alloys known to be used in the Soviet missile program are AMG-[illegible] aluminum alloy and EI-[illegible] stainless steel).

d. Can the source elicit any information from Soviets at the Institute as to problems related to welding technology in the missile and space programs which was solved by them?

e. Identify other facilities (plants and institutes) with which the Paton Institute is associated, and in what manner. Identify personnel of the Welding Institute who are on detached duty at other facilities. Identify location of their detached duty, the facility, purpose, and dates of such duty. (Note: For example two engineers from the Paton Institute received awards in October 19[illegible] for participation in the equipping of the newly constructed Metallurgical Plant imeni Lenin in [illegible], a plant possibly involved in ICBM production). Source should try to determine what work these two personalities performed to merit receiving awards and also work performed by other engineers on detached duty to plants as indicated above.

4. In reply to Paragraph [illegible] of reference, both of the books which were forwarded to Headquarters for evaluation are already available to appropriate [illegible] offices.

5. Requests for extension of POA's on Francisco CAMPOS Herrera (POA expired [illegible] January 19[illegible]) and Guillermo [illegible] [illegible] (POA expired 3 January 19[illegible]) have been initiated. The POA on Pedro Juan CAMPOS Herrera has been cancelled. Please advise if the station wishes the POA which expired [illegible] December 19[illegible], for Howard Carl [illegible] to be extended.

6. In accord with a forthcoming more stringent legal travel policy, it is advised that the station attempt to provide essential information represented by PRQ I and II before the extended POA's expire. In the same vein, attention is directed toward the security status of Francisco CAMPOS Herrera, who has exhibited an attitude since [illegible] in his dealings with the Soviets that is open to suspicion. We must assume that the [illegible] is aware of the correspondence between CAMPOS and Institute.

[illegible] A. [illegible]

DISPATCH

CLASSIFICATION: SECRET

DISPATCH SYMBOL AND NO: HMM-8573

HEADQUARTERS FILE NO: 50-6-58/5

TO : Chief of Station, Mexico City

INFO

FROM : Chief, WHD

DATE: 1960

SUBJECT: - LIMESA/LIMUST/LICALLA

ACTION REQUIRED: - None

RE "43-3" — (CHECK "X" ONE)
MARKED FOR INDEXING
NO INDEXING REQUIRED
INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

REFERENCE(S): HMMA-14477

Transmitted herewith are the six best rolls of LICALLA film.

OLIVER G. GALBOND

9 March 1960

Attachments:
6 rolls of film
1 log (nine pages)
XXXXXXXXXXXXXXXXXXXXXXXX

Distribution:
3 - Mexico City
1 - WH/Mexico RYBAT Chrono
~~1~~ - Subject

WH/3/Mexico/O.R. BYNAM:jmh

RECORDS OFFICER STAMP
The following action is authorized: *De-Rybat*
Signed: *Gloria Palma*
R.O. (CO) - Unit *WH/1/R*
Note: If destruction, cite reasons and coordinate if appropriate.

Removed from Project *KDFACTOR*
CS Classification: *50-6-74/3*
JOB # *73-855/64*
Box: *35* Fold: *3*

DESENSITIZED

FORM 53 — USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE

CLASSIFICATION: SECRET

CONTINUED

RECORD COPY

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14-00000

DISPATCH	SECRET/[redacted]	HMMA-14793 [redacted]-1762
TO: Chief, WH Division INFO		HEADQUARTERS FILE NO. 50-6-74/1
FROM: Chief of Station, Mexico City		DATE 8 April 1960
SUBJECT - LIEMPTY Project Renewal Comments		(CHECK "X" ONE) MARKED FOR INDEXING X NO INDEXING REQUIRED INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY
ACTION REQUIRED - None, for Headquarters information only.		
REFERENCE(S) HMMW-8515, 25 February 1960		

1. It would appear from paragraphs 2a and 2b of reference that KUDESK and KUTUBE Ops have not been completely informed of the background of the LIEMPTY Project and its agent-requirements. At the time HMMA-14093 (Request for Renewal of Project LIEMPTY) was written, it was assumed that the Mexico Desk and KUTUBE/D could answer any additional questions, based on reports and dispatches not normally available to the senior staffs, which might be raised during the renewal process.

2. In answer to paragraph 2a, Oliver G. SCANTLING first contacted Inez PARADA de Moreno in early 1957 to fulfill a KUTUBE/D requirement. He visited her as an architect interested in viewing the LIMERICK installation from the building where she lives. He was socially acquainted with her brother, a Catholic Priest, and knew the family to be unquestionably anti-Communist. However, it would be imprudent on the Station's and SCANTLING's part to assume that PARADA does not at least suspect that some anti-LIMERICK intelligence service is involved. PARADA suggested during SCANTLING's initial visit that he could return at any time for further observations. This was reported by SCANTLING on 21 March 1957 and it does not seem appropriate to query him again on the pretext for his recent visits.

3. While HMMA-14093 correctly referred to LIMITED, LILYRIC and LICALLA as "photographic basehouses," the Station would like to emphasize that photographic coverage is only one of their functions (please see HMMA-12095, 4 February 1959). LIMITED is used as a radio dispatch base for automobile surveillance teams in addition to physical surveillance of persons entering the front gate. Their photography is negligible compared to their other duties. The LILYRIC base performs the best photography of persons visiting the front gate, perhaps because the vantage point for taking the pictures is from the second floor and above the street traffic which partially blocks LIMITED photographs. LILYRIC also does individual reports on LIMERICK personnel entering and leaving the main gate. LICALLA is used almost exclusively to identify LIMERICK officials and to support KUTUBE/D requirements in connection with the LIMESA/LIMUST Project. As an indication of the effectiveness of LICALLA photographic coverage, the Mexico Station has all the LIMERICK officials identified. Before this base was activated more than two-thirds of the LIMERICK officials were unidentified. In order to support other operations, it is considered essential that the Station identify all LIMERICK officials. In this respect, LICALLA has provided most of the necessary information. The retention of this base is also considered vital to the security of the LIMUST portion of the LIMESA Project.

4. The Station does not agree that the color photography and moving pictures are a luxury. Color slides were made for identification purposes and have proved useful, particularly in identifying facial features and skin coloring. The motion pictures were made at Headquarters suggestion (Please see HMMW-7687, 29 May 1959 and HMMW-8438, 26 January 1960).

FORM 53	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	SECRET/[redacted]	X CONTINUED	PAGE NO. 1

CONTINUATION OF DISPATCH	CLASSIFICATION SECRET/[redacted]K	DISPATCH SYMBOL AND NO. HMMA-14793 [redacted]K-1762

5. In conclusion, the Station would like to point out that the "photographic basehouses" represent an integral and significant part of the Station's counterespionage effort against the LIMERICK installation. These bases do not produce Foreign Intelligence and should not be considered in such a light.

Willard C. CURTIS

6 April 1960

Distribution:
3 - WHD
2 - Files

14-00000

DISPATCH	SECRET, [redacted] KUBARK ONLY	HMMA-14045 [redacted]1257

TO: Chief, WH Division

INFO:

HEADQUARTERS FILE NO: 50-6-74/3

FROM: Chief of Station, Mexico City

DATE: 6 November 1959

SUBJECT: LIEMPTY/LIENTRAP/LIEMPTY-10 Security Incident - Liaison with ODENVY

RE "43-3" — (CHECK "X" ONE)
- MARKED FOR INDEXING
- X NO INDEXING REQUIRED
- INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

ACTION REQUIRED: See paragraph 6 below.

REFERENCE(S): HMMA-13951 (KAPOK-1705) 16 October 1959

30 NOV 59

1. On 13 October 1959 it was learned from source that the local ODENVY chief got a priority cable from his Headquarters asking why data concerning the Mexican apprehension of the (KUBARK) truck and photographer had not been reported to the U. S. Ambassador locally. The statement was made that "such matters as this should be immediately reported to the Ambassador."

2. This cable resulted from the report the ODENVY office sent in on the incident from the knowledge they had - as reported in reference.

3. The local ODENVY chief replied to his Headquarters that he did not agree that matters concerning KUBARK operations should be reported by ODENVY to the Ambassador.

4. Source stated that the cable was obviously a result of the KUBARK/ODENVY headquarters "ill feeling" which presently exists and which source believes is primarily (and principally) attributable to the article in TRUE magazine of September 1959.

5. Source is LIMEW.

6. It is requested that under no circumstances should the information contained herein be disseminated in any form whatsoever outside KUBARK.

Willard C. Curtis
WILLARD C. CURTIS

WCCurtis/vps
30 October 1959

Distribution
3 Hqs

RECORDS OFFICER STAMP
The following action is authorized: [illegible]
Signed: [illegible]
R.O. #[illegible] - Unit [illegible]
Note: If [illegible], cite reasons and coordinate if appropriate.

50-6-74/3

FORM 10-57 53 USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE	SECRET, [redacted] KUBARK ONLY	CONTINUED	PAGE NO.

DISPATCH	CLASSIFICATION: SECRET [redacted]	DISPATCH SYMBOL AND NO: HMMA-13951 / [redacted]-1705
TO: Chief, WH Division INFO	RECORD OFFICER ... The following action is authorized: [illegible]	HEADQUARTERS FILE NO: 50-6-74/3 / 50-6-74/8-a
FROM: Chief of Station, Mexico City	Signed: [illegible]	DATE: 30 October 1959
SUBJECT: LIEMPTY/LIENTRAP/LIEMPTY-10 Security Incident	R.O.	RE: "433" - (CHECK "X" ONE) MARKED FOR INDEXING X NO INDEXING REQUIRED INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY
ACTION REQUIRED: None, for Headquarters information only	Note: If destruction ... and coordinate if appropriate.	
REFERENCE(S)		

1. At 1110 hrs., 20 September 1959, while on an operational assignment, LIEMPTY-10 and the LIENTRAP vehicle were temporarily detained by the Servicio Secreto de Mexico (Mexican Secret Service). LIEMPTY-10 was held under unofficial custody for approximately 26 hours before his release was obtained. There follows below an account of the more important details pertaining to this incident.

2. LIEMPTY-10 was instructed on 17 September to case the area surrounding the Theatre Iris, located at Donceles 36, preliminary to undertaking a photographic surveillance of all persons entering and leaving the theatre between the hours of 0930 and 1200 hrs., 20 September. In this instance, the Station's target was a pro-Cuban rally sponsored by the Circulo de Estudios Mexicanos (CEM). The Station had received information that many of the leading Mexican and Central American Communists would attend this rally and that this was an opportune time to establish which ones did attend and to collect their photographs. The Station did not know that the Mexican Secret Service would also be covering this meeting for the purpose of preventing a Communist-inspired demonstration.

3. The Station was advised at 1730 hrs., 20 September, by Raymond H. GERENDE (ps), the Principal Agent who handles LIEMPTY-10, that L-10 was being held by the Secret Service. Immediately following this notification, Allen W. WARE (ps) was requested to contact Philip K. TESSAROLO (ps) and request him to implement procedures through a criminal lawyer to effect the release of L-10. TESSAROLO was contacted and briefed at 2200 hours and immediately began attempts to locate a reliable criminal lawyer. However, as sometimes happens in an emergency situation, his two most appropriate contacts were out of town. It was not until the following morning at 0700 hrs. that TESSAROLO located another reliable lawyer who agreed to handle the case.

4. Since GERENDE was known to L-10 and since the Station could not be sure how much L-10 might be forced to tell the Secret Service, GERENDE was given the following instructions:

A. To disconnect immediately the LIFEAT/LIVERY lines in the base where he and his wife were living and to move all equipment to another safe location. It was believed appropriate to take this precaution even though L-10 did not know the location of the LIVERY base, the telephone number of the base, or even that GERENDE was living at a place other than his mother's residence in another part of the city.

B. To collect and deposit with his Case Officer any compromising papers presently in his possession.

C. To make a security inspection of the outside photographic lab at his mother's house.

D. To phone L-10's wife and inform her that procedures were underway to obtain L-10's release and for her not to become upset and talkative.

E. To suspend all operational contacts until L-10 was released and the extent of compromise was determined.

5. During the evening of 20 September the Station LIFEAT Case Officer was advised that GERENDE had been directed to disconnect the LIVERY lines and to transfer all LIFEAT equipment to a safe location. To further insure the security of LIVERY, all LIVERY lines were pulled externally during the early morning of 21 September.

6. At approximately 1000 hrs., 21 September, LIMEW informed the Chief of Station that a contact of his (LIMEW's) had just informed him that L-10 (true name) and the LIENTRAP vehicle were being held by the Secret Service. LIMEW stated that if L-10 was one of KUBARK's agents he would attempt to have his contact in the Secret Service obtain his immediate release. LIMEW was told that L-10 was, in fact, a KUBARK agent and that the Station would very much appreciate his efforts to effect his release. A short while later LIMEW again contacted the Chief of Station and informed him that it would be necessary for documented ODACID official personally to contact a Commandante fnu LIMON of the Secret Service and that L-10 would then be released. According to LIMEW, L-10 had told the Secret Service that he was carrying out his operational photographic assignment on a contract basis for ODACID; therefore, an ODACID official would have to establish L-10's bona fides.

7. As the Station learned later, the Secret Service agents were roughing up some of the individuals attending the rally; consequently, they were endeavoring to make sure that no photographs were taken which could be used against them by the Communists. L-10 and L-11, the LIENTRAP driver who left the scene before he was detained, were just preparing to leave the area after taking five rolls of film when a Secret Service agent demanded a search of the vehicle on the suspicion that it contained Communist propaganda. L-10, his camera with telephoto lens and the film were then discovered in the rear of LIENTRAP. It was at this time that L-10 was accused orally by the police officers of being a Soviet agent and later of being a local Communist agent. After being taken to Secret Service Headquarters, L-10 told LIMON, in private, about his association with ODACID and emphasized that he certainly was not a Communist agent. LIMEW's source (possibly Commandante LIMON), believing that there may be some truth in L-10's statement, contacted LIMEW. Based in part on assumption and in part on fact, this is the Station's opinion as to how ODENVY became involved in the case.

8. The Station, realizing that LIEMPTY-10 had not committed an illegal act by taking photographs, decided that WARE should personally visit LIMON and request L-10's release. WARE contacted LIMON and the sub-jefe of the Secret Service, Raul MENDIOLEA Cerecero, about 1230 hrs., 21 September, identified himself as an ODACID official and told them that L-10 did from time to time perform photographic assignments for ODACID, particularly in the field of local Communist activities. WARE also told LIMON and MENDIOLEA that L-10 was never permitted to do any task which was illegal under Mexican law and that if he had done so it was certainly not under the auspices of ODACID, but on his own volition. They implied that L-10 had not done anything illegal and that all they wanted to be sure about was that L-10 was not a Communist agent. L-10 was immediately released and the LIENTRAP vehicle returned to him with all equipment intact, including the five rolls of undeveloped film.

9. While WARE was on his way to see LIMON at the Secret Service Headquarters, the Chief of Station was advised by the ODACID Security Office that L-10 was being detained by the Secret Service. The Security Office was told that WARE was presently investigating the matter and should be at the Secret Service Headquarters at that time. By coincidence, WARE was talking to MENDIOLEA when the ODACID Security Office phoned to inform him that WARE was taking care of the matter. It was learned later that MENDIOLEA is a brother-in-law of the local investigator employed full time by the ODACID Security Office. This was how ODACID became involved in the incident. To the best of the Station's knowledge, the ODACID Security Officer has said nothing more about the incident and, at the time, did not attach any particular significance to it or seem especially concerned about

CONTINUATION OF DISPATCH	CLASSIFICATION: S E C R E T/[redacted]	DISPATCH SYMBOL AND NO.: HMMA-13951 [redacted]-1705

L-10's statement that he did some photographic work for ODACID. There was no newspaper or other publicity pertaining to L-10 or LIENTRAP.

10. During his visit to Secret Service Headquarters WARE discovered that L-10 had not been booked or formally charged with an illegal act and that neither LIMON nor MENDIOLEA could recall L-10's name. L-10 was not placed in jail during the 26 hours he was at Secret Service Headquarters but, rather, was permitted to remain in the Secret Service agents' duty room. No bribes were necessary to obtain his release; however, per LIMEW's request, $500.00 pesos were given to LIMEW to give to his source. LIMEW said that in addition to notifying him about L-10's detention, the source was also responsible for all equipment and film being returned intact to L-10.

11. TESSAROLO was advised, as soon as LIMEW became involved in the case, that the criminal lawyer should not pursue the matter any further. Two bottles of scotch whiskey were given to the lawyer through TESSAROLO for the few tasks he had already performed.

12. After his release, L-10 reported that he was not interrogated and that he did not reveal any data about other operations he has worked on nor did he give the names of anybody connected with operational activities. Based on the developments in the case, the Station has no reason to doubt the veracity of L-10's statement. L-10 was reprimanded for his use of statements to the Secret Service about being employed by ODACID. He was told that the revelation of such employment was to be made only by the Station and that henceforth he is never to use such a cover story. L-10 was also reprimanded for his lack of judgment in remaining in an area where there was a strong concentration of police; it is believed safe to assume that L-10 will never make this same mistake again.

13. In retrospect, it is interesting to note that L-10's use of the ODACID employment story is possibly responsible for his not being interrogated and thus compromising other operations and individuals. This case has pointed out to the Station the desireability of having casual contacts in the Secret Service and other local police-type organizations so that the Station, rather than ODACID and ODENVY, is the first to learn of incidents of this type. Considering the multifarious activities handled by the Station, it must be assumed that the police will occasionally apprehend an agent and that the Station must be geared to handle such emergencies.

14. The Station is allowing a one month's cooling off period for the LIENTRAP vehicle and LIEMPTY-10. The vehicle will then be painted another standard color and re-registered in the State of Mexico. After these security precautions are observed, the Station sees no reason why carefully selected photographic surveillance operations should not continue with L-10 as a wiser and more prudent LIENTRAP operator.

Willard C. CURTIS

QNO/vps
15 October 1959

Distribution
3 Hqs

14-00000

DISPATCH	CLASSIFICATION: SECRET/[redacted]	DISPATCH SYMBOL AND NO.: HMMA-12095 [redacted]-1543
TO: Chief, WH Division INFO:		HEADQUARTERS FILE NO.: 50-6-74/3
FROM: Chief of Station, Mexico City	JAN	DATE: 4 February 1959
SUBJECT: O LIEMPTY Progress Report - July thru Dec 1958		RE — (CHECK "X" ONE) X MARKED FOR INDEXING NO INDEXING REQUIRED INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY
ACTION REQUIRED: None, for Headquarters information and files only.		
REFERENCE(S):		

SYNOPSIS OF DEVELOPMENTS

R.C. 030 - Date 6/4/68

1. During the period covered by this report, a new Case Officer, Quinton N. OUSLER, assumed operational direction of several LIPSTICK assets (Oliver G. SCANTLING, Raymond H. GERENDE, LIMITED, LICALLA, LIENTRAP and several support agents), the LIJERSEY surveillance team and the LILYRIC Base. The Station has continued to use SCANTLING, primarily, to follow up LIMESA leads obtained from LIFEAT and the photographic bases; however, no positive returns have been realized from his prodigious efforts except the collection of a considerable amount of operational information. GERENDE performed his principal agent responsibilities for the photographic bases, LIENTRAP, LIJERSEY and until 10 December 1958 handled the LIFEAT/BGMORNING and LIFEAT/Cuban Exile operations. The LIJERSEY surveillance team has been used sparingly for pretext investigations and routine static surveillances; however, a principal agent, Simon D. CLACKETT, is currently being trained in Headquarters to assume the full-time direction, control, training and development of the LIJERSEY team. The new project, LIEMPTY, combining all the assets discussed in this report was submitted to Headquarters on 8 October 1958 with requested project year approval period from 1 December 1958 through 30 November 1959. An operational security review of Raymond H. GERENDE's activities was forwarded to Headquarters as an attachment to HMMA-11368, 22 October 1958.

ACCOUNT OF DEVELOPMENTS - OLIVER G. SCANTLING SEGMENT

2. Agent Information - Oliver G. SCANTLING has continued to perform his assigned tasks in an outstanding manner. SCANTLING's poise, common sense, education, ideology and native ability for the pursuit of clandestine activities make him one of the most valuable support assets available to the Mexico City Station. The fact that SCANTLING has full time overt occupation as Chief Engineer and Production Manager for a local manufacturing company adds to his long-range potential as a KUBARK agent. On two occasions during the past six months SCANTLING has indicated to his Case Officer that he would like to resign from his overt position and devote full time to his KUBARK operational duties; however, the Case Officer has discouraged him from doing this on the basis that he has more long-range potential when his cover occupation is legitimate. Of course, SCANTLING would be more valuable if he could work full time for the Station, but not sufficiently so to warrant his resignation from his overt job (his monthly salary in his overt job is in excess of $800.00 U. S.). The only significant limitation that SCANTLING has evidenced to his present Case Officer is his occasional delay in preparing written reports of investigations and other matters requiring reports for the files. However, this limitation gradually is being overcome and it is expected that SCANTLING's reports will continue to be factual, comprehensive and soon will be promptly submitted.

CS COPY

3. Security Developments - SCANTLING is constantly under a considerable amount of exposure and pressure when following up LIMESA leads obtained from LIFEAT and the photographic bases. Since time is always of the essence when using such perishable leads, SCANTLING frequently is directed to make approaches to individuals performing services for the LIMERICK target after routine, and sometimes only cursory, investigation. Therefore, the possibility always exists of his entanglement in an undesirable security incident. This necessarily

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[redacted]-1543

TO

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SUBJECT

RE "433" — (CHECK "X" ONE)

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ACTION REQUIRED

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REFERENCE(S)

is a calculated risk which both SCANTLING and the Station must take if penetration of the primary target is achieved, whether technically or by a recruitment in place. It is to SCANTLING's credit that he has not yet become involved in an incident which the Station feels has compromised him and/or alerted the target of KUBARK's many operational efforts against them. The closest SCANTLING has come to being compromised and to being identified as a PBPRIME agent stems directly from the LIPSTICK surveillance team flap of June 1958. The office used by the surveillance team was rented by SCANTLING in his true name at the time that he was leader of the team. Not the slightest indication, however, has been uncovered which points to SCANTLING as a target of investigation by a local police service. SCANTLING and the Station have been alert and will continue to watch closely for any sign of local police and other opposition interest in his activities.

4. Operational Success and Effectiveness - Briefly discussed below are some of the many operational activities in which SCANTLING participated during the period covered by this report:

A. Juan *CASTRO (201-[illegible]) - SCANTLING continued seeing CASTRO through September 1958 following the last faint glimmers of mounting the original LIMESA/MKLIGHTING operation through CASTRO. As late as September 1958 possibilities still existed, or appeared to exist, that CASTRO would complete his work in the primary LIMERICK office and that it might be possible to install MKLIGHTING. While CASTRO, through SCANTLING, was the principal source of this information, portions were also confirmed by LIFEAT. During July, August and September 1958, SCANTLING had approximately eight meetings with CASTRO. In late September 1958 LIFEAT indicated that the LIMERICK target was using personnel under the supervision of one of their regular local employees, Antonio *ZEPEDA (201-239821), to complete some of the work CASTRO was supposed to finish and that other contractors were doing jobs around the target area which CASTRO would normally have been expected to do had he still been in the employ of the target. Also, LIMITED and LIFEAT confirmed that the LIMERICK target had lost interest in CASTRO - he was not seen visiting the target installation nor did the target people attempt to get in touch with him. In view of this, SCANTLING was instructed to cease all contact with CASTRO as of 1 November 1958.

B. Pablo *MON Rosas (201-237525) - During the period covered by this report SCANTLING had two interviews with MON Rosas. SCANTLING's most recent report was forwarded to Headquarters as an attachment to HMMA-11143, 1 October 1958. Unquestionably the Station has identified Mon Rosas as the technician who services LIMERICK safes and locks. SCANTLING will continue his development of MON Rosas (please see HMMA-11711, 10 December 1958).

C. Octavio *VIDALES (201-237524) - SCANTLING's activities in connection with this LIMESA/MKLIGHTING operation were summarized in HMMA-11397, 29 October 1958, and previous correspondence.

D. HERRERIA GABELICH - This is the firm that made the steel vault door for the LIMERICK installation. SCANTLING made two visits to this firm's workshop and succeeded in obtaining enough information to make an

FORM 10-57 53 (40) USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.

CLASSIFICATION: SECRET/[redacted]K

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PAGE NO. 2

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DISPATCH	CLASSIFICATION: SECRET/[redacted]K	DISPATCH SYMBOL AND NO.: HMMA-12095 [redacted]-1543
TO		HEADQUARTERS FILE NO.
INFO		
FROM		DATE
SUBJECT		RE "43 3" — (CHECK "X" ONE) MARKED FOR INDEXING / NO INDEXING REQUIRED / INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY
ACTION REQUIRED		
REFERENCE(S)		

accurate drawing of the type door installed at LIMERICK. This drawing was forwarded to Headquarters via HMMA-11926, 21 January 1959.

E. Casing Report on West German Embassy - During June, July and August 1958, SCANTLING prepared a detailed casing report on the new West German Embassy. SCANTLING's engineering ability enables him to prepare accurate drawings and sketches from a minimum of data. Also, his personality and gregarious manner permit him to visit the inside of such establishments, with an appropriate cover story, and retain minute details which later he commits to paper and emerges with a comprehensive floor plan and important construction data.

F. LIMERICK Construction - SCANTLING's long association with this target from the casing standpoint provides the Station with an unparalleled source of information about LIMERICK construction activities, modifications and reasons for same. All of the LIMERICK casing reports on file in Headquarters are the product of SCANTLING's unusual ability and knowledge. Consultations with Station Officers about LIMERICK construction have been of benefit to the Station during this reporting period and they will continue to be of worthwhile importance.

G. Routine Investigations and Surveillances - Although the Station has several assets capable of performing investigations and surveillances, SCANTLING is still used in situations requiring the utmost in discretion and clandestinity. His activities in this connection are too numerous to list here; suffice it to state that he has contributed materially to the Station's collection of operational information through his investigative efforts. SCANTLING's interview of Paul Frederick Kirschhoff (201-43645) of LCMAYFOWL interest is an example of SCANTLING's use on investigations (see HMMA-11749, 17 December 1958).

H. ESGEM-15 - SCANTLING served as the cutout with ESGEM-15 during the latter's December 1958 trip to Mexico City. In this connection SCANTLING is a support asset which is trustworthy and dependable. SCANTLING never displays undue curiosity in operations such as the ESGEM-15 one; he accepts the minimum amount of information given and performs his duties in a professional and sincere manner.

I. LIEMPTY/3 - SCANTLING handles the administrative matters connected with L/3. Doris M. KILLGO provides operational direction to L/3. During this reporting period, the Station had hopes of SCANTLING taking over the operational supervision of L/3's activities. However, after a four-month trial period with both SCANTLING and KILLGO meeting with L/3, it was decided that it would be desirable for KILLGO to continue handling L/3. L/3's unusual personality and intellect indicated that he could best be directed by a PBPRIME citizen. Therefore, SCANTLING no longer attends KILLGO's and L/3's operational meetings, although he does continue to handle L/3's administrative problems.

J. Raymond H. GERENDE's Duties - During GERENDE's absence from

14-00000

DISPATCH	CLASSIFICATION: SECRET[redacted]	DISPATCH SYMBOL AND NO: HMMA-12095 [redacted]-1543
TO		HEADQUARTERS FILE NO
INFO		
FROM		DATE
SUBJECT		RE "43 3" — (CHECK "X" ONE) MARKED FOR INDEXING / NO INDEXING REQUIRED / INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY
ACTION REQUIRED		
REFERENCE(S)		

Mexico City in December 1958 and January 1959, it was considered appropriate for SCANTLING to handle LIMITED, LICALLA and LIENTRAP. Although this procedure defeats some compartmentation principles, it was the only manner in which the Station could maintain efficiency with the three operations listed above. SCANTLING has known the agents involved with LIMITED, LICALLA and LIENTRAP for several years. In fact, he was at one time the agent in charge of these three operations.

5. Operational Methods Evolved During the Period - The VIDALES operation (see paragraph 4 (C) above) indicated to the Station the necessity for thorough briefings and discussions with the agent making an approach to a target. This can hardly be described as a new operational method, but it does serve to illustrate the minimum efforts that should be followed. The forthcoming LINIMENT IV operation wherein SCANTLING must recruit the landlord of the target's building is offering SCANTLING and the Station the opportunity to prepare thoroughly for SCANTLING's recruitment pitch. The excellent documentation prepared by KURIOT and the story being created by SCANTLING and the Station should increase the batting average on SCANTLING's cold approaches. (See HMMA-11366, 22 October 1958, and HMMW-7038, 21 November 1958, for additional details on this Subject).

In a general sense, one other conclusion can be made about any Station's support apparatus - where technical and photographic operations are possible, the utility of the information obtained is enhanced considerably by accurate, comprehensive and timely casing reports. SCANTLING, as previously mentioned, is an excellent asset for this type of support.

6. Administration - SCANTLING's contract expires on 15 February 1959. As of that date SCANTLING will have received an annual salary of $3,600.00 U.S. for two years. The Station plans to raise his annual compensation to $4,000.00 U.S. No other significant administrative problems exist.

7. Outlook for Future Development - Station plans call for the continued utilization of SCANTLING in the same manner as he is presently being used. The Station will keep SCANTLING as an independent asset and, it is hoped, resist the temptation to make him a principal agent in charge of numerous sub-agents. It is believed that SCANTLING is the type of support asset that can be worthwhile to the Station for many years to come and that every effort should be made to protect his security and value to KUBARK.

ACCOUNT OF DEVELOPMENTS - RAYMOND H. GERENDE SEGMENT

8. Agent Information - Aside from the agent information given in HMMA-11368, 22 October 1958, the only significant development was GERENDE's December 1958 marriage to a U. S. educated girl of Dutch citizenship. The $500.00 U. S. for the purchase of two plane tickets as a wedding gift to GERENDE was designed to impress GERENDE with the fact that KUBARK thinks highly of him as an individual and that KUBARK has a great interest in his intelligence career. GERENDE is at the age and stage in life where he is beginning to wonder just what the future holds for him. In the near future, the Station will propose a salary raise for GERENDE

DISPATCH	CLASSIFICATION SECRET[redacted]	DISPATCH SYMBOL AND NO. HMMA-12095 [redacted]-1543
TO		HEADQUARTERS FILE NO.
INFO		
FROM		DATE
SUBJECT		RE "43" — (CHECK "X" ONE)
		MARKED FOR INDEXING
		NO INDEXING REQUIRED
ACTION REQUIRED		INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY

REFERENCE(S)

and request a new contract that provides for some type of retirement benefits - perhaps similar to the Civil Service Retirement program for KUBARK employees.

9. Security Developments - Again, the information on this subject was covered adequately in HMMA-11368. GERENDE was relieved of his LIFEAT/BGMORNING and LIFEAT/Cuban Exiles duties on 10 December 1958. This, of course, was in line with recommendations contained in HMMA-11368 and represents a definite security improvement. GERENDE was told that LIFEAT/BGMORNING was being terminated because it had not been productive of enough significant information and that LIFEAT/Cuban Exiles was being terminated because the occupants of the target apartment had moved (Note: This was true where the Cubans are concerned.) Additional security improvements will be made when Simon D. CLACKETT returns to Mexico and relieves GERENDE of responsibility for the LIJERSEY surveillance team.

10. Operational Success and Effectiveness - Briefly reviewed below are the separate operational activities which GERENDE managed during the period covered by this report:

A. LIMITED - This base functioned smoothly, securely and efficiently during the period July through December 1958. The base operator, LIEMPTY/6, demonstrated his usual competence and devotion to duty. In addition to the primary objective of taking photographs of individuals of interest, L/6 also prepared detailed daily logs on the arrivals and departures of all target personnel, weekly reports of workers activities at the LIMERICK installation, performed three one-man surveillances of Mexicans working at LIMERICK in an effort to identify them by name and home address, and provided SCANTLING with information on LIMERICK construction. During this six-month period, LIEMPTY/6 took approximately 800 photographs from the LIMITED base.

B. LILYRIC - This base is operated by LIEMPTYs/13 and 14, with LIEMPTY/12 serving as a cutout between the base and GERENDE. LIEMPTY/14 does most of the photography and reporting for the base since LIEMPTY/13 has a regular job and is not on the premises during regular daytime working hours. L/14 devotes approximately six hours (0800-1400) each day to photography and the remaining time is spent preparing reports. The Base personnel compile individual logs on each target personality indicating their arrivals and departures from the LIMERICK installation (Note: These reports are filed in the appropriate Station 201 file and are available to Station officers in analyzing a target personality's pattern of daily activity). LILYRIC also prepared a weekly report on workers activities at the Club and reports the license plate numbers of all vehicles discharging or picking up individuals at LIMERICK. (Note: These license plate numbers are then checked out through LIVESTOCK/2 for the owners names and addresses - in case of immediate or later operational interest.) During GERENDE's recent absence from Mexico City, OUSLER met directly with LIEMPTY/12. During this period approximately 2,000 photographs were taken from the LILYRIC base.

C. LICALLA - While LILYRIC and LIMITED are excellent bases for photographing individuals entering and leaving the LIMERICK installation, the LICALLA base is the Station's best source of photographs of LIMERICK

DISPATCH	CLASSIFICATION SECRET/[redacted]	DISPATCH SYMBOL AND NO. HMMA-12095 [redacted]-1543
TO		HEADQUARTERS FILE NO
INFO		
FROM		DATE
SUBJECT		RE "433" — (CHECK "X" ONE)
		MARKED FOR INDEXING
		NO INDEXING REQUIRED
ACTION REQUIRED		INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

REFERENCE(S)

employees. LICALLA is so situated that photographs can be made of target personnel in the garden area of LIMERICK. LIEMPTY/9 is the base operator for LICALLA and in the Station's opinion performs his job in an outstanding manner. As reported in HMMA-11368, LIEMPTY/9 is the brother of former LIPSTICK/47 (the first LIPSTICK surveillance team member arrested in June 1958). No repercussions, or indications of any impending ones, have resulted in this family relationship. This, certainly, is the major security problem faced by L/9 during this reporting period. L/9 and his family soon will have to vacate the LICALLA base for the period of time required to remodel it. The Station is quite sure that L/9 does not know that his covert employer owns the LICALLA base and the three adjoining houses and every effort is being made to preserve this secret from L/9. (See HMMA-12032, 28 January 1959, for a more detailed explanation.) Of course, during the remodeling of LICALLA there will not be any LICALLA reporting or photographs. In addition to taking approximately 2,500 photographs during this six-month period, the LICALLA base also prepared weekly reports on LIMERICK garden activities. These reports indicate which LIMERICK employees are seen together each day, which vehicles different employees are accustomed to using, construction activities and other matters which appear of significance to L/9.

D. LIENTRAP - LIENTRAP continues to be a worthwhile Station asset. Approximately 1,400 clandestine photographs have been made of numerous targets during this reporting period and LIENTRAP type activities will undoubtedly remain one of the Station's best investigative assets. As explained in the Field Project Outline, forwarded to Headquarters on 8 October 1958, the Station is of the opinion that the LIENTRAP vehicle should be replaced as soon as possible. Nearly four months have elapsed without receiving Headquarters authority to replace the vehicle. The security situation is even more acute now than at the time of the request. LIEMPTYs 10 and 11 do an excellent job on LIENTRAP operations.

E. LIJERSEY - This operation can be characterized as somewhat dormant for the July - December 1958 period. Because of GERENDE's other important activities, he did not have the time to train and work with the surveillance team. Also, the Station considered that it would be stretching security just a bit too far to have GERENDE engaged in surveillance at the same time that he was handling the photographic base houses and performing monitoring chores for LIFEAT/BGMORNING and LIFEAT/Cuban Exiles. The expected arrival of Simon D. CLACKETT in April and his relieving GERENDE of LIJERSEY will enable the Station to train, within a year, an efficient mobile surveillance team. At present, LIEMPTYs/15, 16 and 17 compose the LIJERSEY team.

F. LIFEAT - Until 10 December 1958 GERENDE served as monitor in the base house containing LIFEAT/BGMORNING and LIFEAT/Cuban Exiles. In addition to living in the base house, GERENDE also transcribed the majority of the BGMORNING and Cuban Exile tapes. He performed these jobs satisfactorily even though his efficiency was handicapped by numerous other duties. Relieving GERENDE of his LIFEAT duties enables him to devote more time to his other operations with a corresponding increase in the security of all his activities.

FORM 10-57 53 (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION SECRET/[redacted]	[X] CONTINUED	PAGE NO. 6

14-00000

DISPATCH	CLASSIFICATION SECRET/[redacted]	DISPATCH SYMBOL AND NO. HMMA-12095 [redacted]-1543
TO INFO		HEADQUARTERS FILE NO.
FROM		DATE
SUBJECT		RE 433 — (CHECK "X" ONE) MARKED FOR INDEXING NO INDEXING REQUIRED
ACTION REQUIRED		INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

REFERENCE(S)

G. LIEMPTYs/4 and 5 - LIEMPTY/4 does a truly professional job of developing and printing the base house photographs. No significant developments occurred in relation to L/4 except that OUSLER met directly with him during the December 1958 period that GERENDE was away from Mexico City. LIEMPTY/5, L/4's wife, continued doing routine translations in a very competent manner.

11. Administration - Other than the fact that LIJERSEY and the above-mentioned portions of the LIPSTICK projects were combined into this new project, LIEMPTY, there is nothing of significance to report to Headquarters.

12. Outlook for Future Development - Although not meaning to be repetitive by discussing again those recommendations made above, a summary of the Station's outlook on the future of the LIEMPTY GERENDE Segment is believed to be appropriate. With the arrival of CLACKETT in April, GERENDE will be free to devote full time to photographic base house operations. GERENDE can do a lot to professionalize these operations by preparing written communications procedures, by thoroughly debriefing base house operators on their methods of operation, by preparing detailed security reviews on each base and by supervising the trial of new photographic techniques. GERENDE will continue to be used on occasional sensitive investigations to rent operational hotel rooms and to perform other services for the Station which will not impair the security of his primary responsibilities. It is planned that CLACKETT will put some life into the LIJERSEY surveillance team and that the Station will soon have another first rate investigative group to support other Station operations.

Willard C. Curtis
Willard C. CURTIS

QNO/vps
31 January 1959

Distribution
3 Hqs

4 FEB 1959

50-6-74/3

FORM 10-57 53 (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE	CLASSIFICATION SECRET/[redacted]	CONTINUED	PAGE NO. 7

9 December 1958

MEMORANDUM FOR: DC/WH

SUBJECT: Case Officer Assignments in Mexico

1. [illegible] Staff has told Rio Station to remove their liaison case officer from handling their Number One clandestine operation.

2. Why should we not do this in the case of Mexico where Estancona is handling LIVESTOCK-2 (Station's most overt and dangerous agent) and LIFEAT (unilateral telephone tap)?

3. Incidentally, telephone taps in Mexico are limping along with about half the target coverage of a year ago.

CHARLES W. ANDERSON
WH/FI

14-00000

1 December 1958

MEMORANDUM FOR: WH/III/Mexico

SUBJECT: LIEMPTY

On this mammoth project, I have only two ideas:

a. Should LICALLA be terminated? It is a possible threat to LIMESA.

b. Gerende should be taken off all LIFEAT work.

CHARLES W. ANDERSON
WH/FI

What's new on Sancho's replacement?

29 Oct 1958

TO: WH/Personnel

FROM: Chief, WHD

SUBJECT: Request for Staff Agent to fill RAP-8100 Slot in Mexico City

1. It is requested that WH/Personnel locate a Staff Agent to fill the RAP-8100 SIO (FI), GS-12 slot in Mexico City which was recently vacated by Wilfred O. CLOWER (p).

2. This Agent should be bilingual in Spanish and should have operational experience, especially in physical surveillance techniques. [illegible] He will be expected to spot, develop, recruit, and direct surveillance assets. He will be given full responsibility for organizing an effective physical surveillance team.

3. It is requested that a suitable candidate be located as soon as possible so that the Contract Agent now performing the functions can be relieved of this responsibility and can devote his time to other tasks.

SECRET

23 October 1958

MEMORANDUM FOR: CWH

SUBJECT : Development of Physical Surveillance Assets in Mexico

REFERENCE : WH/FI Memorandum of 14 October 1958

1. The subject of the recruitment of a physical surveillance team in the United States for use in Mexico as well as other areas within WH has long been a topic of discussion at Headquarters. While it is palpably ridiculous to consider the use of a surveillance team recruited and trained in the United States and based in Mexico, operationally in other areas in Latin America, there is some merit, at least in theory, to the proposal in 2a of reference. Although one of the basic factors in the make-up of any surveillance team is that its members must be indigenous to the area of operation, it would be possible to recruit such a team as suggested in 2a and use this team in Mexico. However, I believe this would be time-consuming and very expensive for the following reasons:

a. Machine runs have already been made to spot candidates within the Agency of the Mexican/American type for the LIMESA/LIMUST project, with negative results.

b. In order to make it attractive to young men of the caliber desired, we would have to offer some kind of a career with a starting salary of somewhere between the GS 7 and GS 9 level, plus travel and allowances. Without attempting to even estimate this cost one can see that the figures for a team of fifteen would run into six digits.

c. It would take a minimum of three months for a recruiter to move into the southwest area and spot, contact, develop and recruit a team of fifteen.

d. Once a team of suitable candidates was recruited and cleared, it would then take a minimum of another three months to train these candidates in basic trade craft and surveillance techniques.

e. Upon completion of the training period, the candidates would have to be moved individually into the area of operation to become familiar with this area, the language, people, and atmosphere in general, etc. This would take another three months minimum.

f. After completion of the area familiarization period, the team would have to be assembled and put through various surveillance exercises as a unit to check them out prior to actual operations.

SECRET

g. There would be other problems confronting such a team from a security standpoint, such as cover credentials, which would always pose a threat to the operation.

2. To sum up, it would appear that the proposal in 2a of reference is not feasible because of the time and expense involved plus the always latent security hazard.

3. I agree with paragraph 2 b of reference. Not only should the personnel of the surveillance team be recruited at the station, but as outlined in paragraph 3 it should be relatively easy to find suitable candidates. For example it is proposed under the new LIEMPTY project (this consists of the remainder of the non-blown LIPSTICKs and the LIJERSEYs) to recruit a physical surveillance team. Two of the station's outstanding indigenous agents, Scantling and Gerende, are under this project and both are capable of spotting, developing, and recruiting agents.

4. I agree with paragraph 3b, c, and d, and believe that Headquarters should make every effort to find an experienced and competent case officer to fill Clower's slot as the outside surveillance case officer.

John B. Brady
WH/III/Mexico

14 October 1958

MEMORANDUM FOR: CWH

SUBJECT: Development of Physical Surveillance Assets in Mexico

1. On 8 October 1958 a meeting of representatives of SR Division and CI Staff was held, attended by the undersigned, to discuss means for building up physical surveillance assets in Mexico. The SR and CI representatives pointed out that their current and projected work on BGMORNING and their cases requires a considerable strengthening of physical surveillance assets, and it was the consensus that these assets would be used far into the future on Soviet targets. It was further agreed that since the LIPSTICK operation has encountered difficulties this year, new assets should be sought.

2. Various approaches to the problem were discussed, the most viable of which were as follows:

a. Recruiting of teams or basic elements for teams in the Mexican colonies of the southwestern U. S.

b. Dispatch of a new case officer to Mexico with the sole and specific duty of developing and running the new teams.

c. A combination of a and b.

3. Initially, it is believed the dispatch of a new case officer to Mexico would be the most successful and give the best immediate results, for the following reasons:

a. Headquarters and Station records contain the names of numerous cleared contacts or contacts who could be cleared and through whom introductions could be made to persons suitable for surveillance work. Hitherto these have not been fully exploited owing to the heavy workload on Station personnel and the unimpaired functioning till recently of the LIPSTICK group. Some of these contacts were felt out as recruiters and spotters in years past but the matter was never pushed since the need was not so great as now.

b. A new case officer is needed because the present Station staff is still too busy to devote the amount of time needed to build carefully and train thoroughly the new assets.

c. The new assets will require the full time direction and coordination of a case officer who has no other responsibilities. In this connection, it would be advisable to try to select, train and utilize at least twelve new agents as soon as possible.

d. In brief, a replacement of the former physical surveillance leader is indicated, but a more mature and competent case officer is needed.

4. Plan a, recruitment in the U. S., should not be dismissed from consideration. It would take longer than the other plan but might be beneficial in enabling the new agents to be trained in the U. S. They would then have to spend time getting into Mexico and familiarize themselves with operations and operational climate there. This plan, however, presents a problem as to who is to do the recruiting and training in the U. S. SR Division has offered to be of whatever assistance they can, but there is no indication they could do any better at this than WHD.

5. It may be of interest to you to know that the SR representatives said the best work done anywhere in the world on the BGMORNING case, which has wide international ramifications, was done by LIKAYAK-2 in Mexico.

Charles W. Anderson
CHARLES W. ANDERSON
WH/FI

Distribution:
Orig & 1 cc - CWH
2 cc - WH/FI

4. EQUIPMENT: 1 QP auto
Photographic Equipment

5. PROJECT ACTIONS: First approved in 1958, the FY 1971 Renewal Request was submitted in April 1970.

6. COST:

FY	APPROVALS
1966	$45,300
1967	41,500
1968	45,000
1969	43,500
1970	49,468 (Estimated Obligation)
1971	23,635 (Request)

SUMMARY OF CURRENT PROJECT COSTS: FY 1970

Salaries and Bonuses	$40,580.00
Real Estate, Utilities and Rent	6,188.00
Car Maintenance	1,200.00
Property Maintenance and Replacement	500.00
Supplies	1,000.00
TOTAL	$49,468.00

14-00000

SECRET
(When Filled In)

UNINDEXED DOCUMENT

NOTE: ... file for this document cannot be made until it is returned to RI

FROM: Dusty Rhodes
X-8569

DOCUMENT NO. HMMA-11263

DOCUMENT DATE 8 Oct 58

INSTRUCTIONS: Desk assistance is required to index the attached document for the reason(s) checked below. Please take the required action, checking the appropriate block(s) under desk comments below, and return to RI/AN within three (3) working days from date of receipt. You may retain one carbon for a working copy pending return of the processed document. If exceptional circumstances make it impossible to meet the deadline, call the analyst whose name appears above to arrange an alternate due date.

REQUIREMENTS

- ORIGINATOR REQUESTS REVIEW FOR INDEXING BY HEADQUARTERS DESK
- REQUIRES TRANSLATION OR TRANSLITERATION
- REQUIRES 201 NUMBER OF CRYPTONYM
- REQUIRES: 201 / PROJECT / CASE FILE BE OPENED
- OTHER (Specify)

SUSPENSE DATE: 14 Oct 58

TO	ROOM NO.	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS
1. WH/3/MEX				[initials]	Copy Detached HMMA-11257
2. attn. C. Zehrung					Please indicate 201 file # for this dispatch & return to RI/AN. If HMMA-11257 has not been classified, please return it also to RI/AN for processing.
3.					
4. RI/AN					
5. RI/... WH/Rhodes					30-6-74

DESK COMMENTS: file Zhenyty [signature]

- MARKED FOR INDEXING
- NO INDEXING NEEDED
- FILE ... AS NUMBER
- TRANSLATED OR TRANSLITERATED
- 201 NUMBER OF CRYPTONYM IS
- OTHER (Specify)

MAIL ... SECTION
OCT 14 15 ... '58
... DIVISION

DATE

SIGNATURE OF DESK ...

FORM 1-59 1356

SECRET

DISPATCH

CLASSIFICATION	SECRET	DISPATCH SYMBOL AND NO. HMM-A-11263
TO: Chief, WH Division		HEADQUARTERS FILE NO. 50-6- /1
INFO		
FROM: Chief of Station, Mexico City		DATE: 8 October 1958
SUBJECT: Operational/Assignment of Cryptonym		RE "43-3" — (CHECK "X" ONE)
		MARKED FOR INDEXING
		X NO INDEXING REQUIRED
ACTION REQUIRED: None		INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

REFERENCE(S)

HMM-A-11257

LIEMPTY

Cryptonym number 476 has been assigned to the project outline forwarded as an attachment to the referenced dispatch.

Willard C. Curtis
Willard C. CURTIS

QNO/cps

7 October 1958

Distribution:
3 - Hqs
2 - Files

FORM 10-57 53 USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.

CLASSIFICATION SECRET

CONTINUED

PAGE NO

UNCLASSIFIED | CONFIDENTIAL | SECRET

ROUTING AND RECORD SHEET

INSTRUCTIONS: Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

FROM: WH/III

TELEPHONE:

NO. HMM-A-3993

DATE 16 Jan 57

TO	ROOM NO.	DATE REC'D	DATE FWD'D	OFFICER'S INITIALS	TELEPHONE	COMMENTS
1. Condon		24 Jan	24	mpc		cc det. for LIPSTICK/LICALLA.
2. Brondo		25 Jan	25	LB		KAPOK
3. Brady		25 Jan	25	JB		#3 + 7 require answers. Cable approval request in P-7 and 7/2
4. Shaw		24 Jan		RDS		BY HAND
5. FLYNN				JD		
MARELIUS				Cmarelius		Copy det.
6. STD/Harter	1501 L	2/8/56	2/8/56		2059	
7. CI/OPS Wright	1604 L					
8. SR/CE Silver	2052 J		5/6/57			
9.						
10.						
11.						
12.						
13.						
14. WH/[illegible]	1026 B.H.		22 MAY 1957			
15. WH/III BRADY						50-6-74/3

FORM NO. 610 1 APR 55 REPLACES FORM 51-10 WHICH MAY BE USED. SECRET CONFIDENTIAL UNCLASSIFIED

U. S. GOVERNMENT PRINTING OFFICE 15—61155-6 (40)

14-00000

VIA AIR (Specify Air or Sea Pouch)

DISPATCH NO. HMM-A-3992
KAPOK-492

SECRET

OFFICER STAMP

The following DATE 16 January 1956
authorized:

Signed:

R.O. #C30 - Unit

Note: If destruction, cite reasons and coordinate if appropriate.

TO Chief, WHD

FROM Chief of Station, Mexico

SUBJECT GENERAL Operational
SPECIFIC LIPSTICK/LICALLA

REF: a. MEXI 360; b. DIR 38861

1. On 16 December 1955 the daily check of property which this Station may desire to use for operational purposes (LICOOL run) showed that a house adjacent to the LIMERICK target installation was vacant. LIPSTICK-19 was contacted immediately to investigate the property. He reported that it was a one-story house (duplex) in very poor condition which was being repaired by the owner for rental. He further reported that from the maid's room on the roof a clear view of the entire LIMERICK compound was possible and, if he had understood the LIMERICK language, he would have been able to understand several conversations which were going on between LIMERICK officers in the game area of the compound. LIPSTICK-19 also reported that from the roof of this house it was a distance of only approximately fifty feet to the LIMERICK building across flat roofs with no obstructing partitions except for a small wall and several strands of barbed wire, all totalling about four or five feet high between the last roof and the LIMERICK building.

2. Based upon this favorable report, reference A was sent immediately to Headquarters requesting authorization to rent the house. Two days later reference B was received granting approval to rent the house. Consequently, LIPSTICK-21 (the only cleared married man available to the Station, with the exception of LIBERTY, who would fit into the area) was approached and requested to rent the house. This posed a considerable problem to LIPSTICK-21, since the house has only two bedrooms and he already had two children, and at that very time his wife was in the hospital giving birth to a third child. Further, he had a very comfortable house (a duplex which he shared with his brother-in-law at a pre-devaluation rent) which he would never be able to again acquire after this operation was terminated. He did, however, agree to take the house and it was

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FORM NO. 51-28
JUN 1949

56-6-74/3

14-00000

[redacted]

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KAPOK-492
16 January 1956
Page 2

apparent to all concerned that his decision was based upon loyalty to this Station and dedication to the fight against Communism. It is hoped that this unselfish and devoted act of LIPSTICK-21's will be made a matter of permanent record.

3. The reason for LIPSTICK-21 to move from very comfortable quarters at less rent into cramped quarters at a higher rental needed some explanation for his friends and relatives. There is a very fine private school approximately one block from this house which LIPSTICK-21 had often mentioned as the best in the city for his children, and consequently he told everyone that the reason for moving was to be as close as possible to this school so that his children could attend. It should be noted in this respect that, in reality, LIPSTICK-21 had been sending his children to one of the best public schools in Mexico City at no cost. Under the present circumstances, he will have to pay tuition at the private school because it is the only decent school in the area and it provides excellent cover for his residence in the area. It is requested that Headquarters authorize this Station to assist LIPSTICK-21 in the payment of his children's tuition for the above stated reasons. Approximate cost of the tuition would be $20.00 U.S. per child per month, or a total for LIPSTICK-21 of $40.00 US per month. Authorization is requested to assist LIPSTICK-21 by payment of $30.00 U.S. per month.

4. The house is one of a series of one-story houses that extend from the LIMERICK building to a four-story apartment building on the far corner. The fronts of the houses are all directly on the sidewalk with the doors opening onto a one-step stoop. The backs of the houses and the walls of the back patios all abut the compound of the LIMERICK installation. The rear windows of the house face a patio which ends in a brick wall. This brick wall is not as high as the roof of the house, ending about four feet below the level of the roof. There are stairs which ascend from this patio to the roof where the maid's quarters are situated. About halfway up these stairs one can turn and obtain an unrestricted view of the LIMERICK compound. However, the maid's room offers the best operational possibilities since it provides concealment for the observer and his equipment, plus a more advantageous view. LIPSTICK-21 told his maid that she would have to sleep out at a local pension since he needed her room for his radio experiments. This is a plausible story since LIPSTICK-21 is known to be an enthusiastic radio amateur.

5. The maid's room has a door that faces across the roofs in the direction of the LIMERICK installation and one window which faces across the house roof toward the street. A view of the LIMERICK compound is obtained by an observer who is back in the room looking through the partly opened door. Some better method of observation will be worked out which will eliminate the security hazard of a door partially opened at all times of operation.

[redacted]

6. At present we plan to allow LIPSTICK-21 considerable time to get settled securely into his new quarters before starting any operational efforts. After this waiting period is over and we feel that we can securely commence operations, we plan on using the base for the following efforts:

a. A supplementary photographic base. In this connection the request for additional Exactas and spotting scopes previously made should be expedited. It is anticipated that much operational information will be developed by this photographic work showing the various associations between the people when they are at play in the compound which can never be determined from the LIPSTICK-LIMITED coverage. Visitors who seldom leave the compound do engage in social activity within the compound and can be photographed for possible identification by the AEDIPPERS. Items which are loaded into the automobiles for transportation to unknown points may be identified through this coverage. Further, should LIPSTICK/LIMITED be terminated for any reason, we would be able to continue some coverage from this base.

b. Observation by LIPSTICK-21 of the buildings and the activities in the compound will furnish valuable information on the daily living habits of the residents and their guests.

c. The LIPSTICK/LIDOMINO base, presently being occupied by LINCHPIN, is about 75 yards away from the LIMERICK target while LIPSTICK/LICALLA is only about fifty feet. This base may assist the Headquarters technicians, who periodically use the LIPSTICK/LIDOMINO base, for reasons of proximity and the use of their equipment from a different direction. The exact use of the LIPSTICK/LICALLA base in this respect must be determined by the Headquarters technicians who are familiar with the equipment used.

d. Conversations in the LIMERICK compound are audible to someone who is listening from the maid's room. Naturally street noises and extraneous sounds interfere considerably with this eavesdropping so that the employment of some parabolic microphone and recorder must be used for optimum results.

e. Should future operations provide the opportunity to install a transmitter microphone (resonant cavity) in some item carried into the LIMERICK target, LIPSTICK/LICALLA would serve as an excellent base since it has direct line of sight to the back of the LIMERICK target.

f. Preliminary investigation reveals that the possibility does exist that physical access may be obtained to the LIMERICK target from LIPSTICK/LICALIA. This investigation will be intensified and a full report, together with available photographs, will be sent to Headquarters for study by FEARSON and NILES as to the feasibility of this type of operation.

7. As stated in paragraphs two and three above, LIPSTICK-21 has undergone considerable personal sacrifice to accommodate this Station in this operation. It has always been the practice to pay a base house operator a starting salary of approximately $120.00 U.S. per month, since the work of operating a base house is almost full-time. LIPSTICK-21 now earns $64.00 U.S. for work of approximately four hours per day. It is therefore requested that this Station be authorized by cable to increase the salary of LIPSTICK-21 to $120.00 U.S. per month.

Matthew S. Dingley

Matthew S. DINGLEY

Distribution:

3 - Wash
2 - Files

MSD/gfb

SECRET
(WHEN FILLED IN)

SUBJECT AND PROJECT FILE REQUEST AND FIELD NOTIFICATION OF ACTION

FROM: (Headquarters component)

WH

TO :

TO : (Station/Base)

FROM: (Division)

INFORMATION FOR REQUESTERS

COMPLETE ITEMS 1 THROUGH 12

ITEM 3-ALL FILE TITLES MUST BE STERILE SINCE THEY WILL APPEAR ON THE FIELD COPIES AND ON MACHINE LISTS

ITEM 6-ALL REMARKS MUST BE STERILE.

ITEM 7 AND 8-USE FIRST THREE LETTERS OF DISPATCH SYMBOLS FOR FIELD STATIONS AND LIST HEADQUARTERS ELEMENTS ACCORDING TO ESTABLISHED NUMERIC CODES

ITEM 10-ENTER OLD TITLE WHEN AMENDING A TITLE. CITE ANY FILES, SUCH AS 201 OR PROJECT FILES THAT ARE RELATED TO THE FILE COVERED BY THIS REQUEST. ITEM 10 MAY ALSO BE USED TO GIVE REASONS FOR THE ACTION BEING REQUESTED TO IDENTIFY THE TYPE OF MATERIAL TO BE PLACED IN A FILE OR TO MAKE OTHER EXPLANATORY REMARKS.

ITEM 11-A RECORDS OFFICER MUST SIGN ALL FILE ACTION REQUESTS. CONSULT YOUR RMO ON ANY PROBLEMS THAT ARISE

INFORMATION CONCERNING FILE

1. TYPE OF FILE: [ ] SUBJECT [X] PROJECT

2. CODE (FILE) NUMBER

COUNTRY NUMBER	CATEGORY NUMBER	SPECIFIC SUBJECT NUMBER
50	6	74/03

3. FILE TITLE (SPECIFIC SUBJECT) (PROJECTS LIMITED TO 15 SPACES)

KDFACTOR

ACTION REQUIRED

4. ANALYSIS ACTION

	OPEN FILE		CLOSE FILE (INDICATE DISPOSITION)
XX	AMEND FILE TITLE		REOPEN

5. DISPOSITION

	RETAIN		DESTRUCTION RECOMMENDED THRU (DATE)

6. REMARKS (FOR FIELD DISTRIBUTION)

FORMERLY LIEMPTY

7. INTERESTED STATIONS (PROJECTS ONLY)

HMM

8. INTERESTED HEADQUARTERS DESK (LIST ACTION DESK FIRST)

50

9. FILES ACTION

	HOLD IN CS FILES		RESTRICTED		UNRESTRICTED		PREPARE FOLDER AND SEND TO REQUESTER		CHARGE PERMANENTLY TO (OFFICER & DESK)

10. COMMENTS (INCLUDE SPECIAL HEADQUARTERS ROUTING INSTRUCTIONS)

11. ENDORSEMENT
SIGNATURE OF BRANCH/DESK R. O.

12. COORDINATION
SIGNATURE OF BRANCH/DESK R. O. (WHEN APPLICABLE)

13. RID APPROVAL
REQUEST APPROVED BY
Louise W. Armstrong RID/AN

EFFECTIVE DATE

CODE (FILE) NUMBER

050	006	074/03

FORM 12-63 812 OBSOLETE PREVIOUS EDITIONS MFG. 2-64

SECRET

38 1-CS COPY

SECRET
(When Filled In)

CASE FILE REQUEST

TO: RI/ANALYSIS SECTION

DATE: 21 October 1958

FROM: (Requester Name) Charlotte Zehrung

COMPONENT	BUILDING	ROOM NO.	TELEPHONE
WH	Barton	2120	2758

1. CASE TITLE: LIEMPTY/ Operations

2. COUNTRY AND NUMBER: 50 (Mexico)

3. CATEGORY AND NUMBER: 6 Operational

4. ACTION REQUESTED

X	OPEN FILE AS INDICATED.
	AMEND FILE AS INDICATED.
	CLOSE FILE
X	RESTRICT FILE TO (DESK). WH/III/Mexico
X	PERMANENT CHARGEOUT TO (DESK). WH/III/Mexico
	PREPARE FILE FOLDERS AND SEND TO REQUESTER.

5. COMMENTS: (Include brief description of file or project)

Photo and physical surveillance coverage and support for station.

RECORD COPY

6. FOR RI USE ONLY

1. PROJECT STATUS

2. FIELD STATION(S)

3. HDQRS. COMPONENT(S)

7. ENDORSEMENT

THIS REQUEST SATISFIES RECORDS REQUIREMENTS.

C. E. Zieming
RI ANALYSIS

EFFECTIVE DATE: 29 Oct Dec 1958

8. APPROVAL

REQUEST APPROVED

[illegible]
FOR CHIEF, RI

RI CASE TITLE NUMBER

50	6	71/5	NS

FORM NO. 812 1 DEC 56 USE PREVIOUS EDITIONS.

SECRET